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TITLE 7—AGRICULTURE

Chapter IV—Federal Crop Insurance Corporation

PART 420—MULTIPLE CROP INSURANCE

SUBPART—REGULATIONS FOR THE 1950 AND SUCCEEDING CROP YEARS

The following riders for the 1955 and succeeding crop years are hereby published pursuant to § 20.34, of the above-identified regulations (14 F. R. 5303, 6787; 15 F. R. 2485, 4161, 9033; 16 F. R. 579, 4300; 17 F. R. 2110, 2385, 5082, 5933, 8206, 10537; 18 F. R. 440, 3634, 4418, 6992; 19 F. R. 470, 3017, 5604, 5983, 8233). Any riders for these counties which have been published previously (14 F. R. 7827; 15 F. R. 2622, 3077, 9271; 16 F. R. 4829, 12111, 12765; 17 F. R. 3265, 3671, 11257, 11379; 18 F. R. 151, 6282, 7222, 8080, 8530, 19 F. R. 509, 2287) are hereby superseded for the 1955 and succeeding crop years.

A Rider No. 1 to the Multiple Crop Insurance Policy for the following counties:

Arkansas—§ 420.53.
Arkansas—§ 420.53-1.
Colorado—§ 420.55.
Conejos—§ 420.55-1.
Colorado—§ 420.55.
Morgan—§ 420.55-2.
Colorado—§ 420.55.
Otero—§ 420.55-3.
Colorado—§ 420.55.
Weld—§ 420.55-4.
Colorado—§ 420.55.
Las Animas—§ 420.55-5.
Illinois—§ 420.61.
Jasper—§ 420.61-1.
Illinois—§ 420.61.
Hamilton, Saline, Wayne—§ 420.61-6. [Supersedes: §§ 420.61-2, 420.61-4, and 420.61-5.]
Indiana—§ 420.62.
Hendricks—§ 420.62-3.
Iowa—§ 420.63.
Delaware, Emmet, Howard, Union, Warren—§ 420.63-14. [Together with § 420.63-15, supersedes §§ 420.63-2, 420.63-12 and 420.63-13.]

¹No multiple crop insurance offered in these counties for the 1955 and succeeding crop years because of failure of counties to meet the minimum participation requirement.

Iowa—§ 420.63.
Hamilton, Humboldt, Ida, Kossuth, Tama, Winnebago, Worth—§ 420.63-15. [Together with § 420.63-14, supersedes §§ 420.63-2, 420.63-12 and 420.63-13.]
Kansas—§ 420.64.
Cherokee—§ 420.64-5.
Kansas—§ 420.64.
Allen,¹ Anderson,¹ Bourbon, Franklin, Linn, Montgomery—§ 420.64-9. [Supersedes §§ 420.64-1, 420.64-2, 420.64-3, 420.64-4, 420.64-7 and 420.64-8.]
Louisiana—§ 420.66.
St. Martin—§ 420.66-4.
Louisiana—§ 420.66.
Vermilion—§ 420.66-5.
Michigan—§ 420.70.
Gratiot—§ 420.70-1.
Michigan—§ 420.70.
Jackson—§ 420.70-4.
Michigan—§ 420.70.
Allegan—§ 420.70-5.
Minnesota—§ 420.71.
Dodge—§ 420.71-2. [Together with §§ 420.71-14 and 420.71-15, supersedes §§ 420.71-12 and 420.71-13.]
Minnesota—§ 420.71.
McLeod—§ 420.71-5.
Minnesota—§ 420.71.
Stearns—§ 420.71-6.
Minnesota—§ 420.71.
Sherburne—§ 420.71-9.
Minnesota—§ 420.71.
Dakota, Faribault, Nicollet—§ 420.71-14. [Together with §§ 420.71-2 and 420.71-15, supersedes §§ 420.71-12 and 420.71-13.]
Minnesota—§ 420.71.
Goodhue, Kandiyohi, Stevens, Swift—§ 420.71-15. [Together with §§ 420.71-2 and 420.71-14, supersedes §§ 420.71-12 and 420.71-13.]
Missouri—§ 420.73.
Audrain—§ 420.73-1.
Missouri—§ 420.73.
Knox, Lewis,¹—§ 420.73-4. [Supersedes §§ 420.73-2 and 420.73-3.]
Nebraska—§ 420.75.
Pawnee—§ 420.75-1.
Nebraska—§ 420.75.
Antelope—§ 420.75-2.
Nebraska—§ 420.75.
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New York—§ 420.80.
Steuben—§ 420.80-2.
North Dakota—§ 420.82.
Richland—§ 420.82-8.
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The following Supplements are now available:

Title 19 (\$0.40)
Title 25 (\$0.50)

Previously announced: Title 3, 1954 Supp. (\$1.75); Title 7: Parts 1-209 (\$0.60); Title 18 (\$0.50); Titles 30-31 (\$1.25); Title 49: Parts 1-70 (\$0.60); Parts 91-164 (\$0.50); Part 165 to end (\$0.60)

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(Secs. 506, 516, 52 Stat. 73, as amended, 77, as amended; 7 U. S. C. 1506, 1516.)

C. S. LAIDLAW,
Manager,
Federal Crop Insurance Corporation.

§ 420.53 *Arkansas.*
§ 420.53-1 *Arkansas County.*
RIDER NO. 1 TO THE MULTIPLE CROP INSURANCE POLICY
(Applicable in Arkansas County, Ark., Beginning With the 1955 Crop Year)
1. *Insurable crops.* For the purpose of the multiple crop insurance program the insurable crops are:
(a) Oats (fall only) planted for harvest as grain. (Insurance to attach the first crop year of the contract only if the application is filed on or before November 30 preceding the calendar year in which the crop for that crop year is normally harvested.)
(b) Rice planted for harvest.
(c) Soybeans planted for harvest as beans, excluding soybeans interplanted in the same row with corn.
2. *Coverage per acre.* (a) The coverage per acre for each insured crop shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.
(b) The coverage per acre for rice shall be reduced 25 percent for any acreage not harvested and not planted to a substitute crop.
3. *Insurance period.* Insurance shall attach at the time of planting to any insured acreage of any insured crop. Insurance shall cease with respect to any portion of any insured crop upon threshing or upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (i) the end of the normal harvest period for such crop or (ii) December 10 of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.
4. *Valuing production.* In determining any loss under the contract, production of each insurable crop shall be evaluated at the predetermined price established by the Corporation for that crop and shown on the county actuarial table. However, any production of oats, rice or soybeans which will not meet the latest available requirements

for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be evaluated at a value per unit determined by the Corporation.

5. *Released crop.* Notwithstanding any other provision of the policy, any crop on any insured acreage may be released by the Corporation subject to an appraisal by the Corporation of the yield that would be realized if the crop were harvested.

6. *Amount of loss.* (a) The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of each insured crop (exclusive of any acreage to which insurance did not attach) by the applicable coverage per acre, and the result by the insured interest, and (2) subtracting from the total thereof the insured interest in the value (determined in accordance with section 4 of this rider) of the total production on such acreage of all insured crops. However, if the premium computed for the planted acreage is more than the premium computed for the acreage and interest shown on the acreage report for the insurance unit, the amount of loss so determined shall be reduced on the basis of the ratio of the premium computed for the acreage and interest shown on the acreage report to the premium computed for the planted acreage. The total production for each insured crop on the insurance unit shall be the sum of all production determined in accordance with each of the applicable acreage classifications shown on the production schedule below. Where any small grains are seeded in an insured growing small grain crop on acreage not released by the Corporation, all production shall be counted as the insured small grain on a weight basis. In the case of a volunteer crop produced with an insured crop, the production of such volunteer crop shall be included in determining the production of the insured crop. Where vetch is grown with an insured small grain crop all production of vetch shall be counted as production of such grain crop on a weight basis.

The Corporation reserves the right to determine the amount of production on the basis of an appraisal of any unharvested crop standing in the field.

PRODUCTION SCHEDULE

Crop	Acreage classification	Total production ¹
1. Each insured crop...	Acreage released by the Corporation and planted to a substitute crop.	That portion of the appraised production for such acreage which is in excess of 50 percent of the harvested coverage divided by the predetermined price for the crop.
2. Each insured crop except rice.	Acreage not planted to a substitute crop.	The appraised production or the actual production.
3. Rice.	Acreage not harvested and not planted to a substitute crop.	That portion of the appraised production for such acreage which is in excess of 25 percent of the harvested coverage divided by the predetermined price.
4. Rice.	Acreage harvested.	The actual production harvested plus an appraisal of any production left in the field after harvest.
5. Each insured crop...	Acreage put to another use without the consent of the Corporation.	Appraised production for such acreage but not less than the harvested coverage divided by the predetermined price for the crop.
6. Each insured crop...	Acreage with reduced yield due solely to cause(s) not insured against.	Appraised amount by which production for such acreage has been reduced but not less than the harvested coverage divided by the predetermined price for the crop, minus the amount of production harvested.
7. Each insured crop...	Acreage with reduced yield due partially to cause(s) not insured against and partially to cause(s) insured against.	Appraised amount by which production for such acreage has been reduced because of cause(s) not insured against.

¹ Production shall be in bushels for oats and soybeans; and in hundredweight for rice.

(b) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year and declare the premium on such units forfeited by the

insured, or (2) allocate the commingled production in such manner as it determines appropriate.

7. Date table.

Discount date: November 30.

Cancellation date: September 30.

Date by which county minimum participation requirement must be met for any

crop year: November 30 following the cancellation date for the crop year.

8. *Insurance unit.* Notwithstanding the provisions of section 13 of the policy, any share in an insured crop paid or to be paid for irrigation water shall be considered for the purpose of determining insurance units only, as a part of the share of the insured.

9. *Irrigation.* In addition to the causes of loss not insured against as stated in section 8 of the policy, the contract also will not cover loss of the rice crop due to a shortage of irrigation water where the acreage planted to rice is in excess of the acreage which could be irrigated properly with the irrigation facilities available and with a supply of irrigation water which reasonably could be expected.

Approved: Beginning with the 1955 crop year.

[SEAL]

FEDERAL CROP INSURANCE CORPORATION.

\$ 420.55 *Colorado.*

\$ 420.55-1 *Conejos County.*

RIDER NO. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Conejos County, Colo., Beginning With the 1955 Crop Year)

1. *Insurable crops.* For the purpose of the multiple crop insurance program the insurable crops are:

(a) Alfalfa hay (insurance to attach the first crop year of the contract only if the application is filed on or before August 31 preceding the calendar year in which the crop for that crop year is normally harvested).

(b) Barley planted for harvest as grain (insurance on winter barley to attach the first crop year of the contract only if the application is filed on or before August 31 preceding the calendar year in which the crop for that crop year is normally harvested).

(c) Oats planted for harvest as grain (insurance on winter oats to attach the first crop year of the contract only if the application is filed on or before August 31 preceding the calendar year in which the crop for that crop year is normally harvested).

(d) Wheat planted for harvest as grain (insurance on winter wheat to attach the first crop year of the contract only if the application is filed on or before August 31 preceding the calendar year in which the crop for that crop year is normally harvested).

2. *Coverage per acre.* The coverage per acre for each insured crop shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

3. *Insurance period.* Insurance shall attach at the time of planting to any insured acreage of any insured crop except alfalfa in which case insurance shall attach on November 1 (preceding harvest) provided there is a stand at that time sufficient that farmers in the area generally would leave it for harvest the following harvest season. Insurance shall cease with respect to any portion of the hay crop upon baling or stacking and all other insured crops upon threshing or with respect to any portion of any crop upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (i) the end of the normal harvest period for such crop or (ii) December 10 of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

4. *Valuing production.* In determining any loss under the contract, production of

each insurable crop shall be evaluated at the predetermined price established by the Corporation for that crop and shown on the county actuarial table. However, any production of barley or oats which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be evaluated at a value per unit determined by the Corporation. Wheat which does not grade No. 3 or better and does not grade No. 4 or 5 on the basis of test weight only (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be similarly evaluated.

5. *Released crop.* Notwithstanding any other provision of the policy, any crop on any insured acreage may be released by the Corporation subject to an appraisal by the Corporation of the yield that would be realized if the crop were harvested.

6. *Amount of loss.* (a) The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of each insured crop (exclusive of any acreage to which insurance did not attach) by the applicable coverage per acre, and the result by the insured interest,

and (2) subtracting from the total thereof the insured interest in the value (determined in accordance with section 4 of this rider) of the total production on such acreage of all insured crops. However, if the premium computed for the planted acreage is more than the premium computed for the acreage and interest shown on the acreage report for the insurance unit, the amount of loss so determined shall be reduced on the basis of the ratio of the premium computed for the acreage and interest shown on the acreage report to the premium computed for the planted acreage. The total production for each insured crop on the insurance unit shall be the sum of all production determined in accordance with each of the applicable acreage classifications shown on the production schedule below. Where any small grains are seeded in an insured growing small grain crop on acreage not released by the Corporation, all production shall be counted as the insured small grain on a weight basis. In the case of a volunteer crop produced with an insured crop, the production of such volunteer crop shall be included in determining the production of the insured crop.

The Corporation reserves the right to determine the amount of production on the basis of an appraisal of any unharvested crop standing in the field.

PRODUCTION SCHEDULE FOR EACH INSURED CROP

Acreage classification	Total production ¹
1. Acreage released by the Corporation and planted to a substitute crop.	That portion of the appraised production for such acreage which is in excess of 50 percent of the harvested coverage divided by the predetermined price for the crop.
2. Acreage not planted to a substitute crop.	The appraised production or the actual production.
3. Acreage put to another use without the consent of the Corporation.	Appraised production for such acreage but not less than the harvested coverage divided by the predetermined price for the crop.
4. Acreage with reduced yield due solely to cause(s) not insured against.	Appraised amount by which production for such acreage has been reduced but not less than the harvested coverage divided by the predetermined price for the crop, minus the amount of production harvested.
5. Acreage with reduced yield due partially to cause(s) not insured against and partially to cause(s) insured against.	Appraised amount by which production for such acreage has been reduced because of cause(s) not insured against.

¹ Production shall be in bushels for barley, oats, and wheat, and tons (rounded to tenths) for hay.

(b) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year and declare the premium on such units forfeited by the insured, or (2) allocate the commingled production in such manner as it determines appropriate.

7. *Irrigated acreage.* (a) In addition to the provisions of section 4 of the policy, the following provisions shall apply: (1) The acreage of insurable crops which shall be insured in any year shall not exceed that acreage which can be irrigated adequately with the facilities available and with a supply of irrigation water which reasonably could be expected, taking into consideration the amount of water required to irrigate the acreage of all irrigated crops on the farm, and (2) insurance shall not attach with respect to acreage planted to insurable crops (i) the first year after being leveled or (ii) the first year such acreage is irrigated.

(b) In addition to the causes of loss insured against as shown on the first page of the policy, the contract shall cover loss due to failure of the water supply from natural causes that could not be foreseen and prevented by the insured.

(c) In addition to the causes of loss not insured against as shown in section 8 of the policy the contract shall not cover loss caused by (1) failure properly to apply irrigation water to any insurable crop in accordance with good farming practices, as determined by the Corporation, and (2) shortage of irrigation water on any farm where the Corporation determines that the total acreage of all irrigated crops on the farm is in excess of that which could be irrigated properly with the facilities available and with the supply of irrigation water which reasonably could be expected.

8. Date table.

Discount date: November 30.

Cancellation date: June 30.

Date by which county minimum participation requirement must be met for any crop year: August 31 following the cancellation date for the crop year.

9. *Definitions.* For all purposes under the contract alfalfa for harvest within the crop year shall be considered to have been planted as of the beginning of the insurance period for that crop year.

Approved: Beginning with the 1955 crop year.

[SEAL]

FEDERAL CROP INSURANCE CORPORATION.

§ 420.55-2 Morgan County.

RIDER NO. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Morgan County, Colo., Beginning With the 1955 Crop Year)

1. *Insurable crops.* For the purpose of the multiple crop insurance program the insurable crops are:

(a) Barley (spring only) planted for harvest as grain.

(b) Corn planted for grain, silage or fodder but not including sweet corn, popcorn, broom corn, or corn planted for the development of hybrid seed corn. However, corn for fodder will not be insured unless it is planted in time reasonably to expect the corn to mature as grain as determined by the Corporation.

(c) Dry edible beans (Pinto).

(d) Oats (spring only) planted for harvest as grain.

(e) Potatoes (excluding acreage of less than one acre on an insurance unit) commonly known as Irish potatoes.

(f) Wheat planted for harvest as grain. (Insurance on winter wheat to attach the first crop year of the contract only if the application is filed on or before August 31 preceding the calendar year in which the crop for that crop year is normally harvested.)

2. *Coverage per acre.* (a) The coverage per acre for each insured crop shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

(b) The coverage for any acreage of corn, except acreage released and planted to a substitute crop, shall be reduced 10 percent if the value of the total of all production therefrom (determined in accordance with sections 4 and 6 of this rider) does not equal or exceed 10 percent of the coverage for such acreage.

3. *Insurance period.* Insurance shall attach at the time of planting to any insured acreage of any insured crop. Insurance shall cease with respect to any portion of the corn crop upon harvesting (picking the corn from the stalk either by hand or machine or cutting the corn for fodder or silage), the potato crop upon digging and all other insured crops upon threshing or with respect to any portion of any crop upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (i) the end of the normal harvest period for such crop or (ii) December 10 of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

4. *Valuing production.* In determining any loss under the contract, production of each insurable crop shall be evaluated at the predetermined price established by the Corporation for that crop and shown on the county actuarial table. However, any production of barley, corn (as set forth below), oats or potatoes which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be evaluated at a value per unit determined by the Corporation. Wheat which does not grade No. 3 or better and does not grade No. 4 or 5 on the basis of test weight only (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be similarly evaluated.

In order for corn to be evaluated for poor quality it must be a variety of corn adapted to the production of corn for grain and must be harvested as grain or fodder. In order to provide quality protection on dry edible beans, production of beans shall be determined on the basis of sound whole beans.

5. *Released crop.* Notwithstanding any other provision of the policy, any crop on any insured acreage may be released by the Corporation subject to an appraisal by the Corporation of the yield that would be realized if the crop were harvested.

6. *Amount of loss.* (a) The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of each insured crop (exclusive of any acreage to which insurance did not attach) by the applicable coverage per acre, and the result by the insured interest, and (2) subtracting from the total thereof the insured interest in the value (determined in accordance with section 4 of this rider) of the total production on such acreage of all insured crops. However, if the premium computed for the planted acreage is more than the premium computed for the acreage and interest shown on the acreage report for the insurance unit, the amount of loss

so determined shall be reduced on the basis of the ratio of the premium computed for the acreage and interest shown on the acreage report to the premium computed for the planted acreage. The total production for each insured crop on the insurance unit shall be the sum of all production determined in accordance with each of the applicable acreage classification shown on the production schedule below. Production of corn shall be counted as grain, except that production for any corn harvested for silage and the appraised production for any true type silage corn and corn planted thick for silage but not harvested as silage shall be counted as corn silage. Where any small grains are seeded in an insured growing small grain crop on acreage not released by the Corporation, all production shall be counted as the insured small grain on a weight basis. In the case of a volunteer crop produced with an insured crop, the production of such volunteer crop shall be included in determining the production of the insured crop.

The Corporation reserves the right to determine the amount of production on the basis of an appraisal of an unharvested crop standing in the field.

PRODUCTION SCHEDULE FOR EACH INSURED CROP

Acreage classification

1. Acreage released by the Corporation and planted to a substitute crop.
2. Acreage not planted to a substitute crop.
3. Acreage put to another use without the consent of the Corporation.
4. Acreage with reduced yield due solely to cause(s) not insured against.
5. Acreage with reduced yield due partially to cause(s) not insured against and partially to cause(s) insured against.

Total production¹

That portion of the appraised production for such acreage which is in excess of 50 percent of the harvested coverage divided by the predetermined price for the crop. The appraised production or the actual production, including an appraisal of corn left in the field after harvest. Appraised production for such acreage but not less than the harvested coverage divided by the predetermined price for the crop. Appraised amount by which production for such acreage has been reduced but not less than the harvested coverage divided by the predetermined price for the crop, minus the amount of production harvested. Appraised amount by which production for such acreage has been reduced because of cause(s) not insured against.

¹ Production shall be in bushels for barley, oats, and wheat; pounds for beans and potatoes; and bushels for corn grain or tons (rounded to tenths) for corn silage, whichever is applicable. No production shall be counted for any corn acreage on which the coverage is reduced 10 percent under section 2 (b) of this rider.

(b) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year and declare the premium on such units forfeited by the insured, or (2) allocate the commingled production in such manner as it determines appropriate.

7. *Irrigated acreage.* (a) In addition to the provisions of section 4 of the policy, where insurance is written on the basis of irrigated coverage, the following provisions shall apply: (1) The acreage of insurable crops which shall be insured on an irrigated basis in any year shall not exceed that acreage which can be irrigated adequately with the facilities available and with a supply of irrigation water which could reasonably be expected taking into consideration the amount of water required to irrigate the acreage of all irrigated crops on the farm, and (2) insurance shall not attach with respect to acreage planted to insurable crops (i) the first year after being leveled or (ii) the first year such acreage is irrigated.

(b) In addition to the causes of loss insured against as shown on the first page of

the policy, the contract shall cover loss due to failure of the water supply from natural causes that could not be foreseen and prevented by the insured.

(c) In addition to the causes of loss not insured against as shown in section 8 of the policy, the contract shall not cover loss caused by (1) failure properly to apply irrigation water to any insurable crop in accordance with good farming practices, as determined by the Corporation, and (2) shortage of irrigation water on any farm where the Corporation determines that the total acreage of all irrigated crops on the farm is in excess of that which could be irrigated properly with the facilities available and with the supply of irrigation water which reasonably could be expected.

8. *Date table.*

Discount date: November 30.

Cancellation date: June 30.

Date by which county minimum participation requirement must be met for any crop year: August 31 following the cancellation date for the crop year.

Approved: Beginning with the 1955 crop year.

[SEAL]

FEDERAL CROP INSURANCE CORPORATION.

§ 420.55-3 Otero County.

RIDER NO. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Otero County, Colo., Beginning With the 1955 Crop Year)

1. *Insurable crops.* For the purpose of the multiple crop insurance program the insurable crops are:

(a) Barley planted for harvest as grain. (Insurance on winter barley to attach the first crop year of the contract only if the application is filed on or before August 31 preceding the calendar year in which the crop for that crop year is normally harvested.)

(b) Corn planted for grain, silage or fodder but not including sweet corn, popcorn, broom corn, or corn planted for the development of hybrid seed corn. However, corn for fodder will not be insured unless it is planted in time reasonably to expect the corn to mature as grain as determined by the Corporation.

(c) Dry edible beans (Pinto).

(d) Dry onions (excluding acreage of less than one acre on an insurance unit) grown from seed.

(e) Oats planted for harvest as grain. (Insurance on winter oats to attach the first crop year of the contract only if the application is filed on or before August 31 preceding the calendar year in which the crop for that crop year is normally harvested.)

(f) Wheat planted for harvest as grain. (Insurance on winter wheat to attach the first crop year of the contract only if the application is filed on or before August 31 preceding the calendar year in which the crop for that crop year is normally harvested.)

2. *Coverage per acre.* (a) The coverage per acre for each insured crop shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

(b) The coverage for any acreage of corn, except acreage released and planted to a substitute crop, shall be reduced 10 percent if the value of the total of all production therefrom (determined in accordance with sections 5 and 7 of this rider) does not equal or exceed 10 percent of the coverage for such acreage.

3. *Insured acreage of onions.* In addition to the provisions of section 4 of the policy, for any crop year the Corporation reserves the right to limit the insured acreage of onions on any insurance unit to an acreage not less than the average acreage of onions which the Corporation determines was planted thereon during the 3-year period immediately preceding such crop year.

4. *Insurance period.* Insurance shall attach at the time of planting to any insured acreage of any insured crop. Insurance shall cease with respect to any portion of the corn crop upon harvesting (picking the corn from the stalk either by hand or machine or cutting the corn for fodder or silage), the onion crop upon pulling and all other insured crops upon threshing or with respect to any portion of any crop upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (1) the end of the normal harvest period for such crop or (2) December 10 of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

5. *Valuing production.* In determining any loss under the contract, production of each insurable crop shall be evaluated at the predetermined price established by the Corporation for that crop and shown on the county

actuarial table. However, any production of barley, corn (as set forth below), or oats which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be evaluated at a value per unit determined by the Corporation. Wheat which does not grade No. 3 or better and does not grade No. 4 or 5 on the basis of test weight only (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be similarly evaluated. In order for corn to be evaluated for poor quality it must be a variety of corn adapted to the production of corn for grain and must be harvested as grain or fodder. In order to provide quality protection on dry edible beans, production of beans shall be determined on the basis of sound whole beans.

6. *Released crop.* Notwithstanding any other provision of the policy, any crop on any insured acreage may be released by the Corporation subject to an appraisal by the Corporation of the yield that would be realized if the crop were harvested.

7. *Amount of loss.* (a) The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of each insured crop (exclusive of any acreage to which insurance did not attach) by the applicable coverage per acre, and the result by the insured interest, and

(2) subtracting from the total thereof the insured interest in the value (determined in accordance with section 5 of this rider) of the total production on such acreage of all insured crops. However, if the premium computed for the planted acreage is more than the premium computed for the acreage and interest shown on the acreage report for the insurance unit, the amount of loss so determined shall be reduced on the basis of the ratio of the premium computed for the acreage and interest shown on the acreage report to the premium computed for the planted acreage. The total production for each insured crop on the insurance unit shall be the sum of all production determined in accordance with each of the applicable acreage classification shown on the production schedule below. Production of corn shall be counted as grain, except that production for any corn harvested for silage and the appraised production for any true type silage corn and corn planted thick for silage but not harvested as silage shall be counted as corn silage. Where any small grains are planted in an insured growing small grain crop on acreage not released by the Corporation, all production shall be counted as the insured small grain on a weight basis. In the case of volunteer crop produced with an insured crop, the production of such volunteer crop shall be included in determining the production of the insured crop.

The Corporation reserves the right to determine the amount of production on the basis of an appraisal of any unharvested crop standing in the field.

PRODUCTION SCHEDULE FOR EACH INSURED CROP

Acreage classification	Total production ¹
1. Acreage released by the Corporation and planted to a substitute crop.	That portion of the appraised production for such acreage which is in excess of 50 percent of the harvested coverage divided by the predetermined price for the crop.
2. Acreage not planted to a substitute crop.	The appraised production or the actual production, including an appraisal of corn left in the field after harvest.
3. Acreage put to another use without the consent of the Corporation.	Appraised production for such acreage but not less than the harvested coverage divided by the predetermined price for the crop.
4. Acreage with reduced yield due solely to cause(s) not insured against.	Appraised amount by which production for such acreage has been reduced but not less than the harvested coverage divided by the predetermined price for the crop, minus the amount of production harvested.
5. Acreage with reduced yield due partially to cause(s) not insured against and partially to cause(s) insured against.	Appraised amount by which production for such acreage has been reduced because of cause(s) not insured against.

¹ Production shall be in bushels for barley, oats, and wheat; pounds for beans and onions; and bushels for corn grain or tons (rounded to tenths) for corn silage, whichever is applicable. No production shall be counted for any corn acreage on which the coverage is reduced 10 percent under section 2 (b) of this rider.

(b) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year and declare the premium on such units forfeited by the insured, or (2) allocate the commingled production in such manner as it determines appropriate.

8. *Irrigated acreage.* (a) In addition to the provisions of section 4 of the policy the following provisions shall apply: (1) The acreage of insurable crops which shall be insured in any year shall not exceed that acreage which can be irrigated adequately with the facilities available and with a supply of irrigation water which reasonably could be expected, taking into consideration the amount of water required to irrigate the acreage of all irrigated crops on the farm, and (2) insurance shall not attach with

respect to acreage planted to insurable crops (i) the first year after being leveled or (ii) the first year such acreage is irrigated.

(b) In addition to the causes of loss insured against as shown on the first page of the policy, the contract shall cover loss due to failure of the water supply from natural causes that could not be foreseen and prevented by the insured.

(c) In addition to the causes of loss not insured against as shown in section 8 of the policy, the contract shall not cover loss caused by (1) failure properly to apply irrigation water to any insurable crop in accordance with good farming practices, as determined by the Corporation, and (2) shortage of irrigation water on any farm where the Corporation determines that the total acreage of all irrigated crops on the farm is in excess of that which could be irrigated properly with the facilities available and with the supply of irrigation water which reasonably could be expected.

9. *Date table.*

Discount date: November 30.
Cancellation date: June 30.

Date by which county minimum participation requirement must be met for any crop year: August 31 following the cancellation date for the crop year.

Approved: Beginning with the 1955 crop year.

[SEAL]

FEDERAL CROP INSURANCE CORPORATION.

§ 420.55-4 Weld County.

RIDER NO. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Weld County, Colo., Beginning With the 1955 Crop Year)

1. *Insurable crops.* For the purpose of the multiple crop insurance program the insurable crops are:

(a) Barley (spring only) planted for harvest as grain.

(b) Corn planted for grain, silage or fodder but not including sweet corn, popcorn, broom corn, or corn planted for the development of hybrid seed corn. However, corn for fodder will not be insured unless it is planted in time reasonably to expect the corn to mature as grain as determined by the Corporation.

(c) Dry edible beans (Pinto).

(d) Oats (spring only) planted for harvest as grain.

(e) Potatoes (excluding acreage of less than one acre on an insurance unit) commonly known as Irish potatoes.

(f) Wheat planted for harvest as grain. (Insurance on winter wheat to attach the first crop year of the contract only if the application is filed on or before August 31 preceding the calendar year in which the crop for that crop year is normally harvested.)

2. *Coverage per acre.* (a) The coverage per acre for each insured crop shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

(b) The coverage for any acreage of corn, except acreage released and planted to a substitute crop, shall be reduced 10 percent if the value of the total of all production therefrom (determined in accordance with sections 4 and 6 of this rider) does not equal or exceed 10 percent of the coverage for such acreage.

3. *Insurance period.* Insurance shall attach at the time of planting to any insured acreage of any insured crop. Insurance shall cease with respect to any portion of the corn crop upon harvesting (picking the corn from the stalk either by hand or machine or cutting the corn for fodder or silage), the potato crop upon digging and all other insured crops upon threshing or with respect to any portion of any crop upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (i) the end of the normal harvest period for such crop or (ii) December 10 of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

4. *Valuing production.* In determining any loss under the contract, production of each insurable crop shall be evaluated at the predetermined price established by the Corporation for that crop and shown on the county actuarial table. However, any production of barley, corn (as set forth below), oats or potatoes which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be evaluated at a value per unit determined by the Corporation. Wheat which does not grade No. 3

or better and does not grade No. 4 or 5 on the basis of test weight only (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be similarly evaluated. In order for corn to be evaluated for poor quality it must be a variety of corn adapted to the production of corn for grain and must be harvested as grain or fodder. In order to provide quality protection on dry edible beans, production of beans will be determined on the basis of sound whole beans.

5. *Released crop.* Notwithstanding any other provision of the policy, any crop on any insured acreage may be released by the Corporation subject to an appraisal by the Corporation of the yield that would be realized if the crop were harvested.

6. *Amount of loss.* (a) The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of each insured crop (exclusive of any acreage to which insurance did not attach) by the applicable coverage per acre, and the result by the insured interest, and (2) subtracting from the total thereof the insured interest in the value (determined in accordance with section 4 of this rider) of the total production on such acreage of all insured crops. However, if the premium

computed for the planted acreage is more than the premium computed for the acreage and interest shown on the acreage report for the insurance unit, the amount of loss so determined shall be reduced on the basis of the ratio of the premium computed for the acreage and interest shown on the acreage report to the premium computed for the planted acreage. The total production for each insured crop on the insurance unit shall be the sum of all production determined in accordance with each of the applicable acreage classifications shown on the production schedule below. Production of corn shall be counted as grain, except that any production for any corn harvested for silage and the appraised production for any true type silage corn and corn planted thick for silage but not harvested as silage shall be counted as corn silage. Where any small grains are seeded in an insured growing small grain crop on acreage not released by the Corporation, all production shall be counted as the insured small grain on a weight basis. In the case of a volunteer crop produced with an insured crop, the production of such volunteer crop shall be included in determining the production of the insured crop.

The Corporation reserves the right to determine the amount of production on the basis of an appraisal of any unharvested crop standing in the field.

PRODUCTION SCHEDULE FOR EACH INSURED CROP

Acreage classification	Total production ¹
1. Acreage released by the Corporation and planted to a substitute crop.	That portion of the appraised production for such acreage which is in excess of 50 percent of the harvested coverage divided by the predetermined price for the crop.
2. Acreage not planted to a substitute crop.	The appraised production or the actual production, including an appraisal of corn left in the field after harvest.
3. Acreage put to another use without the consent of the Corporation.	Appraised production for such acreage but not less than the harvested coverage divided by the predetermined price for the crop.
4. Acreage with reduced yield due solely to cause(s) not insured against.	Appraised amount by which production for such acreage has been reduced but not less than the harvested coverage divided by the predetermined price for the crop, minus the amount of production harvested.
5. Acreage with reduced yield due partially to cause(s) not insured against and partially to cause(s) insured against.	Appraised amount by which production for such acreage has been reduced because of cause(s) not insured against.

¹ Production and allowances shall be in bushels for barley, oats, and wheat; pounds for beans and potatoes; and in bushels for corn grain or tons (rounded to tenths) for corn silage, whichever is applicable. No production shall be counted for any corn acreage on which the coverage is reduced 10 percent under section 2 (b) of this rider.

(b) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year and declare the premium on such units forfeited by the insured, or (2) allocate the commingled production in such manner as it determines appropriate.

7. *Irrigated acreage.* (a) In addition to the provisions of section 4 of the policy, where insurance is written on the basis of irrigated coverage, the following provisions shall apply: (1) the acreage of insured crops which shall be insured on an irrigated basis in any year shall not exceed that acreage which can be irrigated adequately with the facilities available and with a supply of irrigation water which reasonably could be expected, taking into consideration the amount of water required to irrigate the acreage of all irrigated crops on the farm, and (2) insurance shall not attach with respect to acreage planted to insurable crops (i) the first year after being leveled or (ii) the first year such acreage is irrigated.

(b) In addition to the causes of loss insured against as shown on the first page of

the policy, the contract shall cover loss due to failure of the water supply from natural causes that could not be foreseen and prevented by the insured.

(c) In addition to the causes of loss not insured against as shown in section 8 of the policy, the contract shall not cover loss caused by (1) failure properly to apply irrigation water to any insurable crop in accordance with good farming practices, as determined by the Corporation, and (2) shortage of irrigation water on any farm where the Corporation determines that the total acreage of all irrigated crops on the farm is in excess of that which could be irrigated properly with the facilities available and with the supply of irrigation water which reasonably could be expected.

8. *Date table.*

Discount date: November 30.
Cancellation date: June 30.

Date by which county minimum participation requirement must be met for any crop year: August 31 following the cancellation date for the crop year.

Approved: Beginning with the 1955 crop year.

[SEAL]

FEDERAL CROP INSURANCE CORPORATION.

§ 420.55-5 Las Animas County.

RIDER NO. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Las Animas County, Colo., Beginning With the 1955 Crop Year)

1. *Insurable crops.* For the purpose of the multiple crop insurance program the insurable crops are:

(a) Barley planted for harvest as grain. (Insurance on winter barley to attach the first crop year of the contract only if the application is filed on or before August 31 preceding the calendar year in which the crop for that crop year is normally harvested.)

(b) Corn planted for grain, silage or fodder but not including sweet corn, popcorn, broom corn or corn planted for the development of hybrid seed corn. However, corn for fodder will not be insured unless it is planted in time reasonably to expect the corn to mature as grain as determined by the Corporation.

(c) Dry edible beans. (Pinto.)

(d) Grain sorghums planted for harvest as grain or silage.

(e) Wheat planted for harvest as grain. (Insurance on winter wheat to attach the first crop year of the contract only if the application is filed on or before August 31 preceding the calendar year in which the crop for that crop year is normally harvested.)

2. *Coverage per acre.* (a) The coverage per acre for each insured crop, except grain sorghum, shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

(b) The coverage per acre for grain sorghum shall be reduced as follows: (1) 60 percent for any acreage which is released by the Corporation because of damage occurring prior to laying by the crop, and (2) 25 percent for any acreage on which the crop is laid by and not harvested.

(c) The coverage for any acreage of corn, except acreage released and planted to a substitute crop, shall be reduced 10 percent if the value of the total of all production therefrom (determined in accordance with sections 4 and 6 of this rider) does not equal or exceed 10 percent of the coverage for such acreage.

3. *Insurance period.* Insurance shall attach at the time of planting to any insured acreage of any insured crop. Insurance shall cease with respect to any portion of the corn crop upon harvesting (picking the corn from the stalk either by hand or machine or cutting the corn for fodder or silage) and all other insured crops upon threshing or with respect to any portion of any crop upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (i) the end of the normal harvest period for such crop or (ii) December 10 of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

4. *Valuing production.* In determining any loss under the contract, production of each insurable crop shall be evaluated at the predetermined price established by the Corporation for that crop and shown on the county actuarial table. However, any production of barley, corn or grain sorghums (as set forth below), which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be evaluated at a value per unit determined by

the Corporation. Wheat which does not grade No. 3 or better and does not grade No. 4 or 5 on the basis of test weight only (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be similarly evaluated. In order for corn or grain sorghums to be evaluated for poor quality it must be of a variety adapted to the production of grain and must be harvested as grain or fodder. In order to provide quality protection on dry edible beans, production of beans shall be determined on the basis of sound whole beans.

5. *Released crop.* Notwithstanding any other provision of the policy, any crop on any insured acreage may be released by the Corporation subject to an appraisal by the Corporation of the yield that would be realized if the crop were harvested.

6. *Amount of loss.* (a) The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of each insured crop (exclusive of any acreage to which insurance did not attach) by the applicable coverage per acre, and the result by the insured interest, and (2) subtracting from the total thereof the insured interest in the value (determined in accordance with section 4 of this rider) of the total production on such acreage of all insured crops. However, if the premium computed for the planted acreage is more than the premium computed for the acreage

and interest shown on the acreage report for the insurance unit, the amount of loss so determined shall be reduced on the basis of the ratio of the premium computed for the acreage and interest shown on the acreage report to the premium computed for the planted acreage. The total production for each insured crop on the insurance unit shall be the sum of all production determined in accordance with each of the applicable acreage classifications shown on the production schedule below. Production of corn shall be counted as grain, except that production for any corn harvested for silage and the appraised production for any true type silage corn and corn planted thick for silage but not harvested as silage shall be counted as corn silage. Production of grain sorghums shall be counted as grain, except that production for any grain sorghums harvested for silage and the appraised production for any grain sorghums not adapted to the production of grain and not harvested as silage shall be counted as silage. Where any small grains are seeded in an insured growing small grain crop on acreage not released by the Corporation, all production shall be counted as the insured small grain on a weight basis. In the case of a volunteer crop produced with an insured crop, the production of such volunteer crop shall be included in determining the production of the insured crop.

The Corporation reserves the right to determine the amount of production on the basis of an appraisal of any unharvested crop standing in the field.

PRODUCTION SCHEDULE

Crop	Acreage classification	Total production ¹
1. Each insured crop except grain sorghum.	Acreage released by the Corporation and planted to a substitute crop.	That portion of the appraised production for such acreage which is in excess of 50 percent of the harvested coverage divided by the predetermined price for the crop.
2. Each insured crop except grain sorghum.	Acreage not planted to a substitute crop.	The appraised production or the actual production, including an appraisal of corn left in the field after harvest.
3. Grain sorghum.....	Acreage released by the Corporation because of damage occurring prior to laying by the crop.	That portion of the appraised production for such acreage which is in excess of 60 percent of the harvested coverage divided by the predetermined price.
4. Grain sorghum.....	Acreage on which the crop is laid by and not harvested.	That portion of the appraised production for such acreage which is in excess of 25 percent of the harvested coverage divided by the predetermined price.
5. Grain sorghum.....	Acreage harvested.....	Production, including an appraisal of production left in the field after harvest.
6. Each insured crop...	Acreage put to another use without the consent of the Corporation.	Appraised production for such acreage but not less than the harvested coverage divided by the predetermined price for the crop.
7. Each insured crop...	Acreage with reduced yield due solely to cause(s) not insured against.	Appraised amount by which production for such acreage has been reduced but not less than the harvested coverage divided by the predetermined price for the crop, minus the amount of production harvested.
8. Each insured crop...	Acreage with reduced yield due partially to cause(s) not insured against and partially to cause(s) insured against.	Appraised amount by which production for such acreage has been reduced because of cause(s) not insured against.

¹ Production shall be in bushels for barley and wheat; pounds for beans; bushels for corn grain or tons (rounded to tenths) for corn silage whichever is applicable and hundredweights for grain sorghums as grain or tons (rounded to tenths) for grain sorghums as silage, whichever is applicable. No production shall be counted for any corn acreage on which the coverage is reduced 10 percent under section 2 (c) of this rider.

(b) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year and declare the premium on such units forfeited by the insured, or (2) allocate the commingled production in such manner as it determines appropriate.

7. *Irrigated acreage.* (a) In addition to the provisions of section 4 of the policy, where insurance is written on the basis of irrigated coverage the following provisions shall apply: (1) the acreage of insured crops which shall be insured on an irrigated basis in any year shall not exceed that acreage which can be irrigated adequately with the facilities available and with a supply of irrigation water which reasonably could be expected, taking into consideration the amount of wa-

ter required to irrigate the acreage of all irrigated crops on the farm, and (2) insurance shall not attach with respect to acreage planted to insurable crops, (1) the first year after being leveled or (ii) the first year such acreage is irrigated.

(b) In addition to the causes of loss insured against as shown on the first page of the policy, the contract shall cover loss due to failure of the water supply from natural causes that could not be foreseen and prevented by the insured.

(c) In addition to the causes of loss not insured against as shown in section 8 of the policy, the contract shall not cover loss caused by (1) failure properly to apply irrigation water to any insurable crop in accordance with good farming practices, as determined by the Corporation, and (2) shortage of irrigation water on any farm where the Corporation determines that the total acreage of all irrigated crops on the

farm is in excess of that which could be irrigated properly with the facilities available and with the supply of irrigation water which reasonably could be expected.

8. *Date table.*

Discount date: November 30.

Cancellation date: June 30.

Date by which county minimum participation requirement must be met for any crop year: August 31 following the cancellation date for the crop year.

9. *Definitions.* "Laying by" means the completion of the final cultivation, consistent with good farming practices, that would be necessary to carry the crop to harvest.

Approved: Beginning with the 1955 crop year.

[SEAL]

FEDERAL CROP INSURANCE CORPORATION.

§ 420.61 *Illinois.*

§ 420.61-1 *Jasper County.*

RIDER No. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Jasper County, Ill., Beginning With the 1955 Crop Year)

1. *Insurable crops.* For the purpose of the multiple crop insurance program the insurable crops are:

(a) Corn normally regarded as field corn. The contract will not provide insurance for true type silage corn, corn planted thick for silage or fodder purposes, sweet corn, popcorn, broom corn, corn planted for the development of hybrid seed corn, or any type of corn other than that normally regarded as field corn.

(b) Soybeans planted for harvest as beans.

(c) Winter wheat planted for harvest as grain. (Insurance to attach the first crop year of the contract only if the application is filed on or before October 31 preceding the calendar year in which the crop for that crop year is normally harvested.)

2. *Coverage per acre.* (a) The coverage per acre for each insured crop shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

(b) The coverage per acre for each insured crop shall be reduced 10 percent for any acreage not harvested and not planted to a substitute crop.

3. *Insurance period.* Insurance shall attach at the time of planting to any insured acreage of any insured crop. Insurance shall cease with respect to any portion of the corn crop upon harvesting and all other insured crops upon threshing or with respect to any portion of any crop upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (i) the end of the normal harvest period for such crop or (ii) December 10 of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

4. *Valuing production.* In determining any loss under the contract, production of each insurable crop shall be evaluated at the predetermined price established by the Corporation for that crop and shown on the county actuarial table. However, any production of corn or soybeans which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be evaluated at a value per bushel determined by the Corporation. Wheat which does not grade No. 3 or better and does not grade No. 4

or 5 on the basis of test weight only (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be similarly evaluated.

5. *Released crop.* Notwithstanding any other provision of the policy, any crop on any insured acreage may be released by the Corporation subject to an appraisal by the Corporation of the yield that would be realized if the crop were harvested, except that any corn may be used for silage or fodder without a release by the Corporation if the insured leaves a number of rows considered by the Corporation to be an adequate representative sample for appraising the yield.

6. *Amount of loss.* (a) The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of each insured crop (exclusive of any acreage to which insurance did not attach) by the applicable coverage per acre, and the result by the insured interest, and (2) subtracting from the total thereof the insured interest in the value (determined in accordance with section 4 of this rider) of the total production on such

acreage of all insured crops. However, if the premium computed for the planted acreage is more than the premium computed for the acreage and interest shown on the acreage report for the insurance unit, the amount of loss so determined shall be reduced on the basis of the ratio of the premium computed for the acreage and interest shown on the acreage report to the premium computed for the planted acreage. The total production for each insured crop on the insurance unit shall be the sum of all production determined in accordance with each of the applicable acreage classifications shown on the production schedule below. Where any small grains are seeded in an insured growing small grain crop on acreage not released by the Corporation, all production shall be counted as the insured small grain on a weight basis. In the case of a volunteer crop, produced with an insured crop, the production of such volunteer crop shall be included in determining the production of the insured crop.

The Corporation reserves the right to determine the amount of production on the basis of an appraisal of any unharvested crop standing in the field.

PRODUCTION SCHEDULE FOR EACH INSURED CROP

Acreage classification

1. Acreage released by the Corporation and planted to a substitute crop.
2. Acreage not harvested and not planted to a substitute crop.
3. Acreage harvested.....
4. Acreage put to another use without the consent of the Corporation.
5. Acreage with reduced yield due solely to cause(s) not insured against.
6. Acreage with reduced yield due partially to cause(s) not insured against and partially to cause(s) insured against.

¹ Production shall be in bushels for all crops.

Total production¹

That portion of the appraised production for such acreage which is in excess of 50 percent of the harvested coverage divided by the predetermined price for the crop. That portion of the appraised production for such acreage which is in excess of 10 percent of the harvested coverage divided by the predetermined price for the crop. The actual production harvested plus an appraisal of any production left in the field after harvest and an appraisal of corn used for silage or fodder. Appraised production for such acreage but not less than the harvested coverage divided by the predetermined price for the crop. Appraised number of bushels by which production for such acreage has been reduced but not less than the harvested coverage divided by the predetermined price for the crop, minus the number of bushels harvested. Appraised number of bushels by which production for such acreage has been reduced because of cause(s) not insured against.

(b) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year and declare the premium on such units forfeited by the insured, or (2) allocate the commingled production in such manner as it determines appropriate.

7. *Date table.*

Discount date: November 30.

Cancellation date: July 15.

Date by which county minimum participation requirement must be met for any crop year: October 31 following the cancellation date for the crop year.

8. *Insurance unit.* Notwithstanding the provisions of section 13 of the policy or any election made on the application for insurance, combination of insurance units will not be recognized.

9. *Definitions.* "Harvest" with respect to any acreage of corn means picking from the stalk either by hand or machine or cutting for fodder or silage an amount of corn which is equal in value (determined in accordance with section 4 of this rider) to 10 percent or more of the harvested coverage for such acreage.

Approved: Beginning with the 1955 crop year.

[SEAL]

FEDERAL CROP INSURANCE CORPORATION.

§ 420.61-6 *Hamilton, Saline, Wayne Counties.*

RIDER No. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Hamilton, Saline, and Wayne Counties, Ill., Beginning With the 1955 Crop year)

1. *Insurable crops.* For the purpose of the multiple crop insurance program the insurable crops are:

(a) Corn normally regarded as field corn. The contract will not provide insurance for true type silage corn, corn planted thick for silage or fodder purposes, sweet corn, popcorn, broom corn, corn planted for the development of hybrid seed corn, or any type of corn other than that normally regarded as field corn.

(b) Soybeans planted for harvest as beans.

(c) Winter wheat planted for harvest as grain. (Insurance to attach the first crop year of the contract only if the application

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is filed on or before October 31 preceding the calendar year in which the crop for that crop year is normally harvested.)

2. *Coverage per acre.* (a) The coverage per acre for each insured crop shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

(b) The coverage for any acreage of corn, except acreage released and planted to a substitute crop, shall be reduced 10 percent if the value of the total of all production therefrom (determined in accordance with sections 4 and 6 of this rider) does not equal or exceed 10 percent of the coverage for such acreage.

3. *Insurance period.* Insurance shall attach at the time of planting to any insured acreage of any insured crop. Insurance shall cease with respect to any portion of the corn crop upon harvesting (picking the corn from the stalk either by hand or machine or cutting the corn for fodder or silage) and all other insured crops upon threshing or with respect to any portion of any crop upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (i) the end of the normal harvest period for such crop or (ii) December 10 of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

4. *Valuing production.* In determining any loss under the contract, production of each insurable crop shall be evaluated at the predetermined price established by the Corporation for that crop and shown on the county actuarial table. However, any production of corn or soybeans which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be evaluated at a value per unit determined by the Corporation. Wheat which does not grade No. 3 or better and does not grade No. 4 or 5 on the basis of test weight only (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be similarly evaluated.

5. *Released crop.* Notwithstanding any other provision of the policy, any crop on any insured acreage may be released by the Corporation subject to an appraisal by the Corporation of the yield that would be realized if the crop were harvested, except that any corn may be used for silage or fodder without a release by the Corporation if the insured leaves a number of rows considered by the Corporation to be an adequate representative sample for appraising the yield.

6. *Amount of loss.* (a) The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of each insured crop (exclusive of any acreage to which insurance did not attach) by the applicable coverage per acre, and the result by the insured interest, and (2) subtracting from the total thereof the insured interest in the value (determined in accordance with section 4 of this rider) of the total production on such acreage of all insured crops. However, if the premium computed for the planted acreage is more than the premium computed for the acreage and interest shown on the acreage report for the insurance unit, the amount of loss so determined shall be reduced on the basis of the ratio of the premium computed for the acreage and interest shown on the acreage report to the premium computed for the planted acreage. The total production for each insured crop on the insurance unit shall be the sum of all production determined in accordance with each of the applicable acre-

age classifications shown on the production schedule below. Where any small grains are seeded in an insured growing small grain crop on acreage not released by the Corporation, all production shall be counted as the insured small grain on a weight basis. In the case of a volunteer crop produced with

an insured crop, the production of such volunteer crop shall be included in determining the production of the insured crop.

The Corporation reserves the right to determine the amount of production on the basis of an appraisal of any unharvested crop standing in the field.

PRODUCTION SCHEDULE FOR EACH INSURED CROP

Acreage classification	Total production ¹
1. Acreage released by the Corporation and planted to a substitute crop.	That portion of the appraised production for such acreage which is in excess of 50 percent of the harvested coverage divided by the predetermined price for the crop.
2. Acreage not planted to a substitute crop.	The appraised production or the actual production, including an appraisal of corn left in the field after harvest and an appraisal of corn used for silage or fodder.
3. Acreage put to another use without the consent of the Corporation.	Appraised production for such acreage but not less than the harvested coverage divided by the predetermined price for the crop.
4. Acreage with reduced yield due solely to cause(s) not insured against.	Appraised number of bushels by which production for such acreage has been reduced but not less than the harvested coverage divided by the predetermined price for the crop, minus the number of bushels harvested.
5. Acreage with reduced yield due partially to cause(s) not insured against and partially to cause(s) insured against.	Appraised number of bushels by which production for such acreage has been reduced because of cause(s) not insured against.

¹ Production shall be in bushels for all crops. No production shall be counted for any corn acreage on which the coverage is reduced 10 percent under section 2 (b) of this rider.

(b) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year and declare the premium on such units forfeited by the insured, or (2) allocate the commingled production in such manner as it determines appropriate.

7. *Date table.*

Discount date: November 30.

Cancellation date: August 31.

Date by which county minimum participation requirement must be met for any crop year: October 31 following the cancellation date for the crop year.

Approved: Beginning with the 1955 crop year.

[SEAL]

FEDERAL CROP INSURANCE CORPORATION.

§ 420.62 *Indiana.*

§ 420.62-3 *Hendricks County.*

RIDER NO. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Hendricks County, Ind., Beginning With the 1955 Crop Year)

1. *Insurable crops.* For the purpose of the multiple crop insurance program the insurable crops are:

(a) Corn normally regarded as field corn. The contract will not provide insurance for true type silage corn, corn planted thick for silage or fodder purposes, sweet corn, popcorn, broom corn, corn planted for the development of hybrid seed corn, or any type of corn other than that normally regarded as field corn.

(b) Soybeans planted for harvest as beans excluding acreage planted in rows too close to permit intertilling between the rows with a row cultivator.

(c) Winter wheat planted for harvest as grain. (Insurance to attach the first crop year of the contract only if the application is filed on or before September 15 preceding the calendar year in which the crop for that crop year is normally harvested.)

2. *Coverage per acre.* (a) The coverage per acre for each insured crop shall be reduced 50 percent for any acreage released by the

Corporation and planted to a substitute crop.

(b) The coverage per acre for each insured crop shall be reduced 10 percent for any acreage not harvested and not planted to a substitute crop.

3. *Insurance period.* Insurance shall attach at the time of planting to any insured acreage of any insured crop. Insurance shall cease with respect to any portion of the corn crop upon harvesting and all other insured crops upon threshing or with respect to any portion of any crop upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (i) the end of the normal harvest period for such crop or (ii) December 10 of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

4. *Valuing production.* In determining any loss under the contract, production of each insurable crop shall be evaluated at the predetermined price established by the Corporation for that crop and shown on the county actuarial table. However, any production of corn or soybeans which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be evaluated at a value per bushel determined by the Corporation. Wheat which does not grade No. 3 or better and does not grade No. 4 or 5 on the basis of test weight only (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be similarly evaluated.

5. *Released crop.* Notwithstanding any other provision of the policy, any crop on any insured acreage may be released by the Corporation subject to an appraisal by the Corporation of the yield that would be realized if the crop were harvested, except that any corn may be used for silage or fodder without a release by the Corporation if the insured leaves a number of rows considered by the Corporation to be an adequate representative sample for appraising the yield.

6. *Amount of loss.* (a) The amount of loss with respect to any insurance unit shall

be determined by (1) multiplying the planted acreage of each insured crop (exclusive of any acreage to which insurance did not attach) by the applicable coverage per acre, and the result by the insured interest, and (2) subtracting from the total thereof the insured interest in the value (determined in accordance with section 4 of this rider) of the total production on such acreage of all insured crops. However, if the premium computed for the planted acreage is more than the premium computed for the acreage and interest shown on the acreage report for the insurance unit, the amount of loss so determined shall be reduced on the basis of the ratio of the premium computed for the acreage and interest shown on the acreage report to the premium

computed for the planted acreage. The total production for each insured crop on the insurance unit shall be the sum of all production determined in accordance with each of the applicable acreage classifications shown on the production schedule below. Where any small grains are seeded in an insured growing small grain crop on acreage not released by the Corporation, all production shall be counted as the insured small grain on a weight basis. In the case of a volunteer crop, produced with an insured crop, the production of such volunteer crop shall be included in determining the production of the insured crop.

The Corporation reserves the right to determine the amount of production on the basis of an appraisal of any unharvested crop standing in the field.

3. *Insurance period.* Insurance shall attach at the time of planting to any insured acreage of any insured crop. Insurance shall cease with respect to any portion of the corn crop upon harvesting (picking the corn from the stalk either by hand or machine or cutting the corn for fodder or ensilage), all other insured crops upon threshing or with respect to any portion of any crop upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (i) the end of the normal harvest period for such crop or (ii) December 10, of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

4. *Protection against loss of quality.* In determining any loss under the contract, production of each insurable crop shall be evaluated at the predetermined price established by the Corporation for that crop and shown on the county actuarial table. However, any production of corn, oats, or soybeans which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be evaluated at a value per unit determined by the Corporation.

5. *Released crop.* Notwithstanding any other provision of the policy, any crop on any insured acreage may be released by the Corporation subject to an appraisal by the Corporation of the yield that would be realized if the crop were harvested, except that any corn may be used for ensilage or fodder without a release by the Corporation if the insured leaves a number of rows considered by the Corporation to be an adequate representative sample for appraising the yield.

6. *Amount of loss.* (a) The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of each insured crop (exclusive of any acreage to which insurance did not attach) by the applicable coverage per acre, and the result by the insured interest, and (2) subtracting from the total thereof the insured interest in the value (based on the predetermined price) of the total production on such acreage of all insured crops. However, if the premium computed for the planted acreage is more than the premium computed for the acreage and interest shown on the acreage report for the insurance unit, the amount of loss so determined shall be reduced on the basis of the ratio of the premium computed for the acreage and interest shown on the acreage report to the premium computed for the planted acreage. The total production for each insured crop on the insurance unit shall be the sum of all production determined in accordance with each of the applicable acreage classifications shown on the production schedule below. Where any small grains are seeded with an insured growing small grain crop on acreage not released by the Corporation, all production shall be counted as the insured small grain on a weight basis. In the case of a volunteer crop produced with an insured crop, the production of such volunteer crop shall be included in determining the production of the insured crop.

The Corporation reserves the right to determine the amount of production on the basis of an appraisal of any unharvested crop standing in the field.

PRODUCTION SCHEDULE FOR EACH INSURED CROP

Acreage classification	Total production ¹
1. Acreage released by the Corporation and planted to a substitute crop.	That portion of the appraised production for such acreage which is in excess of 50 percent of the harvested coverage divided by the predetermined price for the crop.
2. Acreage not harvested and not planted to a substitute crop.	That portion of the appraised production for such acreage which is in excess of 10 percent of the harvested coverage divided by the predetermined price for the crop.
3. Acreage harvested-----	The actual production harvested plus an appraisal of any production left in the field after harvest and an appraisal of corn used for silage or fodder.
4. Acreage put to another use without the consent of the Corporation.	Appraised production for such acreage but not less than the harvested coverage divided by the predetermined price for the crop.
5. Acreage with reduced yield due solely to cause(s) not insured against.	Appraised number of bushels by which production for such acreage has been reduced but not less than the harvested coverage divided by the predetermined price for the crop, minus the number of bushels harvested.
6. Acreage with reduced yield due partially to cause(s) not insured against and partially to cause(s) insured against.	Appraised number of bushels by which production for such acreage has been reduced because of cause(s) not insured against.

¹ Production shall be in bushels for all crops.

(b) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year and declare the premium on such units forfeited by the insured, or (2) allocate the commingled production in such manner as it determines appropriate.

7. *Date table.*

Discount date: November 30.

Cancellation date: July 15.

Date by which county minimum participation requirement must be met for the 1956 and succeeding crop years: September 15 following the cancellation date for the crop year.

8. *Insurance unit.* Notwithstanding the provisions of section 13 of the policy or any election made on the application for insurance, combination of insurance units will not be recognized.

9. *Definitions.* "Harvest" with respect to any acreage of corn means picking from the stalk either by hand or machine or cutting for fodder or silage an amount of corn which is equal in value (determined in accordance with section 4 of this rider) to 10 percent or more of the harvested coverage for such acreage.

Approved: Beginning with the 1955 crop year.

[SEAL]

FEDERAL CROP INSURANCE CORPORATION.

\$ 420.63 Iowa.

\$ 420.63-14 Delaware, Emmet, Howard, Union, Warren Counties.

RIDER NO. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Delaware, Emmet, Howard, Union, and Warren Counties, Iowa, Beginning With the 1955 Crop Year)

1. *Insurable crops.* For the purpose of the multiple crop insurance program the insurable crops are:

(a) Corn normally regarded as field corn. The contract will not provide insurance for true type silage corn, corn planted thick for silage or fodder purposes, sweet corn, popcorn, broom corn, corn planted for the development of hybrid seed corn, or any type of corn other than that normally regarded as field corn.

(b) Oats planted for harvest as grain.

(c) Soybeans planted for harvest as beans.

2. *Coverage per acre.* (a) The coverage per acre for each insured crop shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

(b) The coverage for any acreage of corn except acreage released and planted to a substitute crop, shall be reduced 10 percent if the value (at the predetermined price) of the total of all production therefrom (determined in accordance with section 6 of this rider) does not equal or exceed 10 percent of the coverage for such acreage.

PRODUCTION SCHEDULE FOR EACH INSURED CROP

Acreage classification

Total production¹

1. Acreage released by the Corporation and planted to a substitute crop.
2. Acreage not planted to a substitute crop.
3. Acreage put to another use without the consent of the Corporation.
4. Acreage with reduced yield due solely to cause(s) not insured against.
5. Acreage with reduced yield due partially to cause(s) not insured against and partially to cause(s) insured against.

¹ Production shall be in bushels for all crops. No production shall be counted for any corn acreage on which the coverage is reduced 10 percent under section 2 (b) of this rider.

(b) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year and declare the premium on such units forfeited by the insured, or (2) allocate the commingled production in such manner as it determines appropriate.

7. Date table.

Discount date: November 30.
Cancellation date: February 28.

Approved: Beginning with the 1955 crop year.

[SEAL] FEDERAL CROP INSURANCE CORPORATION.

§ 420.63-15 Hamilton, Humboldt, Ida, Kossuth, Tama, Winnebago, Worth Counties.

RIDER NO. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Hamilton, Humboldt, Ida, Kossuth, Tama, Winnebago, and Worth Counties, Iowa, Beginning With the 1955 Crop Year)

1. *Insurable crops.* For the purpose of the multiple crop insurance program the insurable crops are:

(a) Corn normally regarded as field corn. The contract will not provide insurance for true type silage corn, corn planted thick for silage or fodder purposes, sweet corn, popcorn, broom corn, corn planted for the de-

to insurable causes, and would not meet these requirements if properly handled, shall be evaluated at a value per bushel, determined by the Corporation.

5. *Released crop.* Notwithstanding any other provision of the policy, any crop on any insured acreage may be released by the Corporation subject to an appraisal by the Corporation of the yield that would be realized if the crop were harvested, except that any corn may be used for ensilage or fodder without a release by the Corporation if the insured leaves a number of rows considered by the Corporation to be an adequate representative sample for appraising the yield.

6. *Amount of loss.* (a) The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of each insured crop (exclusive of any acreage to which insurance did not attach) by the applicable coverage interest, and the result by the insured interest, and (2) subtracting from the total thereof the insured interest in the value (determined in accordance with section 4 of this rider) of the total production on such acreage of all insured crops. However,

PRODUCTION SCHEDULE FOR EACH INSURED CROP

Acreage classification

1. Acreage released by the Corporation and planted to a substitute crop.
2. Acreage not harvested and not planted to a substitute crop.
3. Acreage harvested.

Total production¹

1. That portion of the appraised production for such acreage which is in excess of 50 percent of the harvested coverage divided by the predetermined price for the crop.
2. That portion of the appraised production for such acreage which is in excess of 10 percent of the harvested coverage divided by the predetermined price for the crop.
3. The actual production harvested plus an appraisal of any production left in the field after harvest and an appraisal of corn used for ensilage or fodder.
4. Appraised production for such acreage but not less than the harvested coverage divided by the predetermined price for the crop.
5. Appraised number of bushels by which production for such acreage has been reduced but not less than the harvested coverage divided by the predetermined price for the crop, minus the number of bushels harvested.
6. Appraised number of bushels by which production for such acreage has been reduced because of cause(s) not insured against.

¹ Production shall be in bushels for all crops.

(b) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year and declare the premium on such units forfeited by the insured, or (2) allocate the commingled production in such manner as it determines appropriate.

7. Date table.

Discount date: November 30.
Cancellation date: February 28.

8. *Insurance unit.* Notwithstanding the provisions of section 13 of the policy or any election made on the application for insurance, combination of insurance units will not be recognized.

9. *Definitions.* "Harvest" with respect to any acreage of corn means picking from the stalk either by hand or machine or cutting for fodder or ensilage an amount of corn

If the premium computed for the planted acreage is more than the premium computed for the acreage and interest shown on the acreage report for the insurance unit, the amount of loss so determined shall be reduced on the basis of the ratio of the premium computed for the acreage and interest shown on the acreage report to the premium computed for the planted acreage.

The total production for each insured crop on the insurance unit shall be the sum of all production determined in accordance with each of the applicable acreage classifications shown on the production schedule below. Where any small grains are seeded with an insured growing small grain crop on acreage not released by the Corporation, the all production shall be counted as the insured small grain on a weight basis. In the case of a volunteer crop, produced with an insured crop, the production of such volunteer crop shall be included in determining the production of the insured crop.

The Corporation reserves the right to determine the amount of production on the basis of an appraisal of any unharvested crop standing in the field.

which is equal in value (determined in accordance with section 4 of this rider) to 10 percent or more of the harvested coverage for such acreage.

Approved: Beginning with the 1955 crop year.

[SEAL]

FEDERAL CROP INSURANCE CORPORATION.

§ 420.64 *Kansas.*

§ 420.64-5 *Cherokee County.*

RIDER NO. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Cherokee County, Kans., Beginning With the 1955 Crop Year)

1. *Insurable crops.* For the purpose of the multiple crop insurance program the insurable crops are:

(a) Corn normally regarded as field corn. The contract will not provide insurance for true type silage corn, corn planted thick for silage or fodder purposes, sweet corn, popcorn, broom corn, corn planted for the development of hybrid seed corn, or any type of corn other than that normally regarded as field corn.

(b) Soybeans planted for harvest as beans.

(c) Winter wheat planted for harvest as grain.

2. *Coverage per acre.* (a) The coverage per acre for each insured crop shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

(b) The coverage per acre for each insured crop shall be reduced 10 percent for any acreage not harvested and not planted to a substitute crop.

3. *Insurance period.* Insurance shall attach at the time of planting to any insured acreage of any insured crop. Insurance shall cease with respect to any portion of the corn crop upon harvesting, all other insured crops upon threshing or with respect to any portion of any crop upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (i) the end of the normal harvest period from such crop or (ii) December 10 of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

4. *Valuing production.* In determining any loss under the contract, production of each insurable crop shall be evaluated at the predetermined price established by the Corporation for that crop and shown on the county actuarial table. However, any production of corn or soybeans which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be evaluated at a value per bushel determined by the Corporation. Wheat which does not grade No. 3 or better and does not grade No. 4 or 5 on the basis of test weight only (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be similarly evaluated.

5. *Released crop.* Notwithstanding any other provision of the policy, any crop on any insured acreage may be released by the Corporation subject to an appraisal by the Corporation of the yield that would be realized if the crop were harvested, except that any corn may be used for silage or fodder without a release by the Corporation if the insured leaves a number of rows considered by the

Corporation to be an adequate representative sample for appraising the yield.

6. *Amount of loss.* (a) The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of each insured crop (exclusive of any acreage to which insurance did not attach) by the applicable coverage per acre, and the result by the insured interest, and (2) subtracting from the total thereof the insured interest in the value (determined in accordance with section 4 of this rider) of the total production on such acreage of all insured crops. However, if the premium computed for the planted acreage is more than the premium computed for the acreage and interest shown on the acreage report for the insurance unit, the amount of loss so determined shall be reduced on the basis of the ratio of the premium computed for the acreage and interest shown on the

acreage report to the premium computed for the planted acreage. The total production for each insured crop on the insurance unit shall be the sum of all production determined in accordance with each of the applicable acreage classifications shown on the production schedule below. Where any small grains are seeded in an insured growing small grain crop on acreage not released by the Corporation, all production shall be counted as the insured small grain on a weight basis. In the case of a volunteer crop produced with an insured crop, the production of such volunteer crop shall be included in determining the production of the insured crop.

The Corporation reserves the right to determine the amount of production on the basis of an appraisal of any unharvested crop standing in the field.

PRODUCTION SCHEDULE FOR EACH INSURED CROP

Acreage classification

1. Acreage released by the Corporation and planted to a substitute crop.
2. Acreage not harvested and not planted to a substitute crop.
3. Acreage harvested.....
4. Acreage put to another use without the consent of the Corporation.
5. Acreage with reduced yield due solely to cause(s) not insured against.
6. Acreage with reduced yield due partially to cause(s) not insured against and partially to cause(s) insured against.

¹ Production shall be in bushels for all crops.

Total production¹

That portion of the appraised production for such acreage which is in excess of 50 percent of the harvested coverage divided by the predetermined price for the crop.

That portion of the appraised production for such acreage which is in excess of 10 percent of the harvested coverage divided by the predetermined price for the crop.

The actual production harvested plus an appraisal of any production left in the field after harvest and an appraisal of corn used for silage or fodder.

Appraised production for such acreage but not less than the harvested coverage divided by the predetermined price for the crop.

Appraised number of bushels by which production for such acreage has been reduced but not less than the harvested coverage divided by the predetermined price for the crop, minus the number of bushels harvested.

Appraised number of bushels by which production for such acreage has been reduced because of cause(s) not insured against.

(b) If the production from an insurance unit is commingled with the production for any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year and declare the premium on such units forfeited by the insured, or (2) allocate the commingled production in such manner as it determines appropriate.

7. *Date table.*

Discount date: November 30.

Cancellation date: June 30.

8. *Insurance unit.* Notwithstanding the provisions of section 13 of the policy or any election made on the application for insurance, combination of insurance units will not be recognized.

9. *Definitions.* "Harvest" with respect to any acreage of corn means picking from the stalk either by hand or machine or cutting for fodder or silage an amount of corn which is equal in value (determined in accordance with section 4 of this rider) to 10 percent or more of the harvested coverage for such acreage.

Approved: Beginning with the 1955 crop year.

[SEAL]

FEDERAL CROP INSURANCE CORPORATION.

§ 420.64-9 *Allen, Anderson, Bourbon, Franklin, Linn, Montgomery Counties.*

RIDER NO. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Allen, Anderson, Bourbon, Franklin, Linn, and Montgomery Counties, Kans., Beginning With the 1955 Crop Year)

1. *Insurable crops.* For the purpose of the multiple crop insurance program the insurable crops are:

(a) Corn normally regarded as field corn. The contract will not provide insurance for true type silage corn, corn planted thick for silage or fodder purposes, sweet corn, popcorn, broom corn, corn planted for the development of hybrid seed corn, or any type of corn other than that normally regarded as field corn.

(b) Grain sorghums planted for harvest as grain.

(c) Oats planted for harvest as grain.

(d) Soybeans planted for harvest as beans.

(e) Winter wheat planted for harvest as grain.

2. *Coverage per acre.* (a) The coverage per acre for each insured crop shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

(b) The coverage for any acreage of corn, except acreage released and planted to a substitute crop, shall be reduced 10 percent if the value of the total of all production therefrom (determined in accordance with sections 4 and 6 of this rider) does not equal or exceed 10 percent of the coverage for such acreage.

3. *Insurance period.* Insurance shall attach at the time of planting to any insured

acreage of any insured crop. Insurance shall cease with respect to any portion of the corn crop upon harvesting (picking the corn from the stalk either by hand or machine or cutting the corn for fodder or silage) and all other insured crops upon threshing or with respect to any portion of any crop upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (1) the end of the normal harvest period for such crop or (ii) December 10 of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

4. *Valuing production.* In determining any loss under the contract, production of each insurable crop shall be evaluated at the predetermined price established by the Corporation for that crop and shown on the county actuarial table. However, any production of corn, grain sorghums, oats or soybeans which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be evaluated at a value per unit determined by the Corporation. Wheat which does not grade No. 3 or better and does not grade No. 4 or 5 on the basis of test weight only (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be similarly evaluated.

5. *Released crop.* Notwithstanding any other provision of the policy, any crop on any insured acreage may be released by the Corporation subject to an appraisal by the Corporation of the yield that would be realized if the crop were harvested, except that any corn or grain sorghum may be used for silage or fodder without a release by the Corporation if the insured leaves a number of rows considered by the Corporation to be an adequate representative sample for appraising the yield.

6. *Amount of loss.* (a) The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of each insured crop (exclusive of any acreage to which insurance did not attach) by the applicable coverage per acre, and the result by the insured interest, and (2) subtracting from the total thereof the insured interest in the value (determined in accordance with section 4 of this rider) of the total production on such acreage of all insured crops. However, if the premium computed for the planted acreage is more than the premium computed for the acreage and the interest shown on the acreage report for the insurance unit, the amount of loss so determined shall be reduced on the basis of the ratio of the premium computed for the acreage and interest shown on the acreage report to the premium computed for the planted acreage. The total production for each insured crop on the insurance unit shall be the sum of all production determined in accordance with each of the applicable acreage classifications shown on the production schedule below. Where any small grains are seeded in an insured growing small grain crop on acreage not released by the Corporation, all production shall be counted as the insured small grain on a weight basis. In the case of a volunteer crop produced with an insured crop, the production of such volunteer crop shall be included in determining the production of the insured crop.

The Corporation reserves the right to determine the amount of production on the basis of an appraisal of any unharvested crop standing in the field.

PRODUCTION SCHEDULE FOR EACH INSURED CROP

Acreage classification

1. Acreage released by the Corporation and planted to a substitute crop.
2. Acreage not planted to a substitute crop.
3. Acreage put to another use without the consent of the Corporation.
4. Acreage with reduced yield due solely to cause(s) not insured against.
5. Acreage with reduced yield due partially to cause(s) not insured against and partially to cause(s) insured against.

Total production¹

That portion of the appraised production for such acreage which is in excess of 50 percent of the harvested coverage divided by the predetermined price for the crop. The appraised production or the actual production, including an appraisal of corn left in the field after harvest and an appraisal of corn and grain sorghums used for silage or fodder.

Appraised production for such acreage but not less than the harvested coverage divided by the predetermined price for the crop.

Appraised amount by which production for such acreage has been reduced but not less than the harvested coverage divided by the predetermined price for the crop, minus the amount of production harvested.

Appraised amount by which production for such acreage has been reduced because of cause(s) not insured against.

¹ Production shall be in bushels for corn, oats, soybeans, and wheat, and hundredweights for grain sorghums. No production shall be counted for any corn acreage on which the coverage is reduced 10 percent under section 2 (b) of this rider.

(b) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year and declare the premium on such units forfeited by the insured, or (2) allocate the commingled production in such manner as it determines appropriate.

7. Date table.

Discount date: November 30.

Cancellation date: July 31.

Approved: Beginning with the 1955 crop year.

[SEAL]

FEDERAL CROP INSURANCE CORPORATION.

\$ 420.66 Louisiana.

\$ 420.66-4 St. Martin Parish.

RIDER NO. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in St. Martin Parish, La., Beginning With the 1955 Crop Year)

1. *Insurable crops.* For the purpose of the multiple crop insurance program the insurable crops are:

(a) Corn normally regarded as field corn, including corn with which soybeans are interplanted. The contract will not provide insurance for true type silage corn, corn planted thick for silage or fodder purposes, sweet corn, popcorn, broom corn, corn planted for the development of hybrid seed corn, or any type of corn other than that normally regarded as field corn.

(b) Cotton, restricted to American upland cotton and not including cotton planted primarily for experimental purposes.

(c) Rice planted for harvest.

(d) Sugarcane, including acreage harvested for seed, and excluding (1) acreage of less than one acre on an insurance unit and (ii) acreage on which three successive crops have been harvested from one planting. (Insurance to attach the first crop year of the contract only if the application is filed on or before November 30 preceding the calendar year in which the crop for that crop year is normally harvested.)

(e) Sweet potatoes (excluding acreage of less than one acre on an insurance unit).

2. *Coverage per acre.* (a) The coverage per acre for each insured crop, except cotton, shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

(b) The coverage for any acreage of corn except acreage released and planted to a

substitute crop, shall be reduced 10 percent if the value of the total of all production therefrom (determined in accordance with sections 4 and 6 of this rider) does not equal or exceed 10 percent of the coverage for such acreage.

(c) The coverage per acre for rice shall be reduced 25 percent for any acreage not harvested and not planted to a substitute crop.

(d) The coverage per acre for cotton shall be reduced as follows: (1) 60 percent for any acreage which is released by the Corporation because of damage occurring prior to laying by the crop, and (2) 25 percent for any acreage on which the crop is laid by and not harvested.

3. *Insurance period.* Insurance shall attach at the time of planting to any acreage of any insured crop, except for the second and third year crop of sugarcane in which case insurance shall attach on December 1 provided there is a stand at that time sufficient that farmers in the area generally would leave it for harvest the following harvest season. Insurance shall cease with respect to any portion of the corn crop upon harvesting (picking the corn from the stalk either by hand or machine or cutting the corn for fodder or silage), the cotton crop upon picking, the rice crop upon threshing, the sugarcane crop upon cutting, the sweet potato crop upon digging or with respect to any portion of any crop upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (1) the end of the normal harvest period for such crop or (ii) December 10 of the calendar year in which the crop is normally harvested (January 31 following the normal time of harvest for sugarcane), unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

4. *Valuing production.* In determining any loss under the contract, production of each insurable crop shall be evaluated at the predetermined price established by the Corporation for that crop and shown on the county actuarial table. However, any production of corn or rice which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be evaluated at a value per unit determined by the Corporation.

5. *Released crop.* Notwithstanding any other provision of the policy, any crop on any insured acreage may be released by the Corporation subject to an appraisal by the Corporation of the yield that would be realized if the crop were harvested, except that any corn or grain sorghum may be used for silage or fodder without a release by the Corporation if the insured leaves a number of rows considered by the Corporation to be an adequate representative sample for appraising the yield.

ized if the crop were harvested, except that any corn may be used for silage or fodder without a release by the Corporation if the insured leaves a number of rows considered by the Corporation to be an adequate representative sample for appraising the yield.

6. *Amount of loss.* (a) The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of each insured crop (exclusive of any acreage to which insurance did not attach) by the applicable coverage per acre, and the result by the insured interest, and (2) subtracting from the total thereof the insured interest in the value (determined in accordance with section 4 of this rider) of the total production on such acreage of all insured crops. However, if the premium

computed for the planted acreage is more than the premium computed for the acreage and interest shown on the acreage report for the insurance unit, the amount of loss so determined shall be reduced on the basis of the ratio of the premium computed for the acreage and interest shown on the acreage report to the premium computed for the planted acreage. The total production for each insured crop on the insurance unit shall be the sum of all production determined in accordance with each of the applicable acreage classifications shown on the production schedule below.

The Corporation reserves the right to determine the amount of production on the basis of an appraisal of any unharvested crop standing in the field.

PRODUCTION SCHEDULE

Crop	Acreage classification	Total production ¹
1. Each insured crop except cotton.	Acreage released by the Corporation and planted to a substitute crop.	That portion of the appraised production for such acreage which is in excess of 50 percent of the harvested coverage divided by the predetermined price for the crop.
2. Each insured crop except cotton and rice.	Acreage not planted to a substitute crop.	The appraised production or the actual production, including an appraisal of corn left in the field after harvest and an appraisal of corn used for silage or fodder.
3. Rice.....	Acreage not harvested and not planted to a substitute crop.	That portion of the appraised production for such acreage which is in excess of 25 percent of the harvested coverage divided by the predetermined price.
4. Cotton.....	Acreage released by the Corporation because of damage occurring prior to laying by the crop.	That portion of the appraised production for such acreage which is in excess of 60 percent of the harvested coverage divided by the predetermined price.
5. Cotton.....	Acreage on which the crop is laid by and not harvested.	That portion of the appraised production for such acreage which is in excess of 25 percent of the harvested coverage divided by the predetermined price.
6. Cotton and rice.....	Acreage harvested.....	The actual production harvested plus an appraisal of any production left in the field after harvest.
7. Each insured crop...	Acreage put to another use without the consent of the Corporation.	Appraised production for such acreage but not less than the harvested coverage divided by the predetermined price for the crop.
8. Each insured crop...	Acreage with reduced yield due solely to cause(s) not insured against.	Appraised amount by which production for such acreage has been reduced but not less than the harvested coverage divided by the predetermined price for the crop, minus the amount of production harvested.
9. Each insured crop...	Acreage with reduced yield due partially to cause(s) not insured against and partially to cause(s) insured against.	Appraised amount by which production for such acreage has been reduced because of cause(s) not insured against.

¹ Production shall be in bushels for corn and sweetpotatoes, pounds for cotton, hundredweight for rice, and tons (rounded to tenths) for sugarcane. If any part of the sugarcane production from the insurance unit is processed for sugar, the total number of tons of sugarcane shall be adjusted to standard sugarcane (as determined in accordance with regulations issued by the U. S. Department of Agriculture for the crop year involved). No production shall be counted for any corn acreage on which the coverage is reduced 10 percent under section 2(b) of this rider.

Notwithstanding the other provisions of this paragraph (a) regarding the determination of the total production of cotton, in any case where the quality of any cotton production is reduced solely by insured causes to the extent that the value per pound, as determined by the Corporation, is less than 75 percent of the predetermined price, the number of pounds of such poor quality cotton shall be adjusted downward to the number of pounds obtained by dividing the total value of such cotton, as determined by the Corporation, by 75 percent of the predetermined price.

(b) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year and declare the premium on such units forfeited by the insured, or (2) allocate the commingled production in such manner as it determines appropriate.

7. *Date table.*

Discount date: November 30.

Cancellation date: September 30.

Date by which county minimum participation requirement must be met for any crop year: November 30 following the cancellation date for the crop year.

8. *Definitions.* (a) For all purposes under the contract sugarcane for harvest within

the crop year shall be considered to have been planted as follows: (1) the first crop from seed, on the date the planting operation is actually accomplished, and (2) the second and third year crops on December 1 preceding the calendar year in which the crop is normally harvested.

(b) "Harvest" with respect to any acreage of cotton means the removal (by manual or mechanical means) of an amount of cotton from the stalk which is equal in value (based on the predetermined price) to 10 percent or more of the coverage for such acreage.

9. *Insurance unit.* Notwithstanding the provisions of section 13 of the policy, any share of an insured crop paid or to be paid for irrigation water shall be considered for the purpose of determining insurance units only, as a part of the share of the insured.

10. *Irrigation.* In addition to the causes of loss not insured against as stated in section 8 of the policy, the contract also will not cover loss of the rice crop due to a shortage of irrigation water where the acreage planted to rice is in excess of the acreage which could be irrigated properly with the irrigation facilities available and with a supply of irrigation water which reasonably could be expected.

Approved: Beginning with the 1955 crop year.

[SEAL]

FEDERAL CROP INSURANCE CORPORATION.

\$ 420.66-5 Vermilion Parish.

RIDER No. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Vermilion Parish, La., Beginning With the 1955 Crop Year)

1. *Insurable crops.* For the purpose of the multiple crop insurance program the insurable crops are:

(a) Cotton, restricted to American upland cotton and not including cotton planted primarily for experimental purposes.

(b) Rice planted for harvest.

(c) Sugarcane, including acreage harvested for seed, and excluding (1) acreage of less than one acre on an insurance unit and (2) acreage on which three successive crops have been harvested from one planting. (Insurance to attach the first crop year of the contract only if the application is filed on or before November 30 preceding the calendar year in which the crop for that crop year is normally harvested.)

2. *Coverage per acre.* (a) The coverage per acre for each insured crop, except cotton, shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

(b) The coverage per acre for rice shall be reduced 25 percent for any acreage not harvested and not planted to a substitute crop.

(c) The coverage per acre for cotton shall be reduced as follows: (1) 60 percent for any acreage which is released by the Corporation because of damage occurring prior to laying by the crop and (2) 25 percent for any acreage on which the crop is laid by and not harvested.

3. *Insurance period.* Insurance shall attach at the time of planting to any insured acreage of any insured crop, except for the second and third year crop of sugarcane, in which case insurance shall attach on December 1 provided there is a stand at that time sufficient that farmers in the area generally would leave it for harvest the following harvest season. Insurance shall cease with respect to any portion of the cotton crop upon picking, the rice crop upon threshing, and the sugarcane crop upon cutting or with respect to any portion of any crop upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (i) the end of the normal harvest period for such crop or (ii) December 10 of the calendar year in which the crop is normally harvested (January 31 following the normal time of harvest for sugarcane), unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

4. *Valuing production.* In determining any loss under the contract, production of each insurable crop shall be evaluated at the predetermined price established by the Corporation for that crop and shown on the county actuarial table. However, any production of rice which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be evaluated at a value per unit determined by the Corporation.

5. *Released crop.* Notwithstanding any other provision of the policy, any crop on any insured acreage may be released by the Corporation subject to an appraisal by the Corporation of the yield that would be realized if the crop were harvested.

6. *Amount of loss.* (a) The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of each insured crop (exclusive of any acreage to which insurance did not attach) by the applicable coverage

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per acre, and the result by the insured interest, and (2) subtracting from the total thereof the insured interest in the value (determined in accordance with section 4 of this rider) of the total production on such acreage of all insured crops. However, if the premium computed for the planted acreage is more than the premium computed for the acreage and interest shown on the acreage report for the insurance unit, the amount of loss so determined shall be reduced on the basis of the ratio of the premium computed

for the acreage and interest shown on the acreage report to the premium computed for the planted acreage. The total production for each insured crop on the insurance unit shall be the sum of all production determined in accordance with each of the applicable acreage classifications shown on the production schedule below.

The Corporation reserves the right to determine the amount of production on the basis of an appraisal of any unharvested crop standing in the field.

PRODUCTION SCHEDULE

Crop	Acreage classification	Total production ¹
1. Rice and sugarcane...	Acreage released by the Corporation and planted to a substitute crop.	That portion of the appraised production for such acreage which is in excess of 50 percent of the harvested coverage divided by the predetermined price for the crop.
2. Sugarcane.....	Acreage not planted to a substitute crop.	The appraised production or the actual production.
3. Rice.....	Acreage not harvested and not planted to a substitute crop.	That portion of the appraised production for such acreage which is in excess of 25 percent of the harvested coverage divided by the predetermined price.
4. Cotton.....	Acreage released by the Corporation because of damage occurring prior to laying by the crop.	That portion of the appraised production for such acreage which is in excess of 60 percent of the harvested coverage divided by the predetermined price.
5. Cotton.....	Acreage on which the crop is laid by and not harvested.	That portion of the appraised production for such acreage which is in excess of 25 percent of the harvested coverage divided by the predetermined price.
6. Cotton and rice.....	Acreage harvested.....	The actual production plus an appraisal of any production left in the field after harvest.
7. Each insured crop...	Acreage put to another use without the consent of the Corporation.	Appraised production for such acreage but not less than the harvested coverage divided by the predetermined price for the crop.
8. Each insured crop...	Acreage with reduced yield due solely to cause(s) not insured against.	Appraised amount by which production for such acreage has been reduced but not less than the harvested coverage divided by the predetermined price for the crop, minus the amount of production harvested.
9. Each insured crop...	Acreage with reduced yield due partially to cause(s) not insured against and partially to cause(s) against.	Appraised amount by which production for such acreage has been reduced because of cause(s) not insured against.

¹ Production shall be in pounds for cotton, hundredweight for rice, and tons (rounded to tenths) for sugarcane. If any part of the sugarcane production from the insurance unit is processed for sugar, the total number of tons of sugarcane shall be adjusted to standard sugarcane (as determined in accordance with regulations issued by the U. S. Department of Agriculture for the crop year involved).

Notwithstanding the other provisions of this paragraph (a) regarding the determination of the total production of cotton, in any case where the quality of any cotton production is reduced solely by insured causes to the extent that the value per pound, as determined by the Corporation, is less than 75 percent of the predetermined price, the number of pounds of such poor quality cotton shall be adjusted downward to the number of pounds obtained by dividing the total value of such cotton, as determined by the Corporation, by 75 percent of the predetermined price.

(b) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year and declare the premium on such units forfeited by the insured, or (2) allocate the commingled production in such manner as it determines appropriate.

7. Date table.

Discount date: November 30.

Cancellation date: September 30.

Date by which county minimum participation requirement must be met for any crop year: November 30 following the cancellation date for the crop year.

8. Definitions. (a) For all purposes under the contract sugarcane for harvest within the crop year shall be considered to have been planted as follows: (1) the first crop from seed, on the date the planting operation is actually accomplished, and (2) the second and third year crops on December 1 preceding the calendar year in which the crop is normally harvested.

(b) "Harvest" with respect to any acreage of cotton means the removal (by manual or mechanical means) of an amount of cotton from the stalk which is equal in value (based on the predetermined price) to 10 percent or more of the coverage for such acreage.

9. Insurance unit. Notwithstanding the provisions of section 13 of the policy, any share of an insured crop paid or to be paid for irrigation water shall be considered for the purpose of determining insurance units only, as a part of the share of the insured.

10. Irrigation. In addition to the causes of loss not insured against as stated in section 8 of the policy, the contract also will not cover loss of the rice crop due to a shortage of irrigation water where the acreage planted to rice is in excess of the acreage which could be irrigated properly with the irrigation facilities available and with a supply of irrigation water which reasonably could be expected.

Approved: Beginning with the 1955 crop year.

[SEAL]

FEDERAL CROP INSURANCE CORPORATION.

\$ 420.70 Michigan.

\$ 420.70-1 Gratiot County.

RIDER No. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Gratiot County, Mich., Beginning With the 1955 Crop Year)

1. Insurable crops. For the purpose of the multiple crop insurance program the insurable crops are:

(a) Corn normally regarded as field corn. The contract will not provide insurance for true type silage corn, corn planted thick for

silage or fodder purposes, sweet corn, popcorn, broom corn, corn planted for the development of hybrid seed corn, or any type of corn other than that normally regarded as field corn.

(b) Dry edible beans (pea and medium white).

(c) Oats planted for harvest as grain.

(d) Soybeans planted for harvest as beans.

(e) Winter wheat planted for harvest as grain. (Insurance to attach the first crop year of the contract only if the application is filed on or before October 31 preceding the calendar year in which the crop for that crop year is normally harvested.)

2. Coverage per acre. (a) The coverage per acre for each insured crop, except dry edible beans, shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

(b) The coverage per acre for each insured crop, except dry edible beans, shall be reduced 10 percent for any acreage not harvested and not planted to a substitute crop.

(c) The coverage per acre for dry edible beans shall be reduced as follows: (1) 35 percent for any acreage which is released by the Corporation and not pulled or cut, and (2) 15 percent for any acreage which is released by the Corporation after pulling or cutting but before threshing.

3. Insurance period. Insurance shall attach at the time of planting to any insured acreage of any insured crop. Insurance shall cease with respect to any portion of the corn crop upon harvesting, all other insured crops upon threshing or with respect to any portion of any crop upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (i) the end of the normal harvest period for such crop or (ii) December 10 of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

4. Valuing production. In determining any loss under the contract, production of each insurable crop shall be evaluated at the applicable predetermined price established by the Corporation for that crop and shown on the county actuarial table. However, any production of corn, oats or soybeans which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be evaluated at a value per bushel determined by the Corporation. Wheat which does not grade No. 3 or better and does not grade No. 4 or 5 on the basis of test weight only (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be similarly evaluated. Any production of dry edible beans which will not meet any U. S. grade or pick shown on the county actuarial table because of poor quality due to insurable causes shall be evaluated at a price per pound determined by the Corporation. Any appraised production of dry edible beans shall be valued on the basis of the Corporation's estimate of the applicable grade or pick.

5. Released crop. Notwithstanding any other provision of the policy, any crop on any insured acreage may be released by the Corporation subject to an appraisal by the Corporation of the yield that would be realized if the crop were harvested, except that any corn may be used for silage or fodder without a release by the Corporation if the insured leaves a number of rows considered by the Corporation to be an adequate representative sample for appraising the yield.

6. Amount of loss. (a) The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of each insured crop (exclusive of any acreage to which insurance did not attach) by the applicable coverage per acre, and the result by the insured interest, and (2) subtracting from the total thereof the insured interest in the value (determined in accordance with section 4 of this rider) of the total production on such acreage of all insured crops. However, if the premium computed for the planted acreage is more than the premium computed for the acreage and interest shown on the acreage report for the insurance unit, the amount of loss so determined shall be reduced on the basis of the ratio of the premium computed for the acreage and interest shown on the acreage

report to the premium computed for the planted acreage. The total production for each insured crop on the insurance unit shall be the sum of all production determined in accordance with each of the applicable acreage classifications shown on the production schedule below. Where any small grains are seeded in an insured growing small grain crop on acreage not released by the Corporation, all production shall be counted as the insured small grain on a weight basis. In the case of a volunteer crop, produced with an insured crop, the production of such volunteer crop shall be included in determining the production of the insured crop.

The Corporation reserves the right to determine the amount of production on the basis of an appraisal of any unharvested crop standing in the field.

PRODUCTION SCHEDULE

Crop	Acreage classification	Total production ¹
1. Each insured crop except dry edible beans.	Acreage released by the Corporation and planted to a substitute crop.	That portion of the appraised production for such acreage which is in excess of 50 percent of the harvested coverage divided by the predetermined price for the crop.
2. Each insured crop except dry edible beans.	Acreage not harvested and not planted to a substitute crop.	That portion of the appraised production for such acreage which is in excess of 10 percent of the harvested coverage divided by the predetermined price for the crop.
3. Dry edible beans....	Acreage released by the Corporation and not pulled or cut.	That portion of the appraised production for such acreage which is in excess of 35 percent of the harvested coverage divided by the base price shown on the county actuarial table.
4. Dry edible beans....	Acreage released by the Corporation after pulling or cutting but before threshing.	That portion of the appraised production for such acreage which is in excess of 15 percent of the harvested coverage divided by the base price shown on the county actuarial table.
5. Each insured crop....	Acreage harvested.....	The actual production harvested plus an appraisal of any production left in the field after harvest and an appraisal of corn used for silage or fodder.
6. Each insured crop....	Acreage put to another use without the consent of the Corporation.	Appraised production for such acreage but not less than the harvested coverage divided by the applicable predetermined price for the crop.
7. Each insured crop....	Acreage with reduced yield due solely to cause(s) not insured against.	Appraised amount by which production for such acreage has been reduced but not less than the harvested coverage divided by the applicable predetermined price for the crop, minus the amount of production harvested.
8. Each insured crop....	Acreage with reduced yield due partially to cause(s) not insured against and partially to cause(s) insured against.	Appraised amount by which production for such acreage has been reduced because of cause(s) not insured against.

¹ Production shall be in bushels for corn, oats, soybeans and wheat and hundredweight for dry edible beans.

(b) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year and declare the premium on such units forfeited by the insured, or (2) allocate the commingled production in such manner as it determines appropriate.

7. Date table.

Discount date: November 30.

Cancellation date: July 15.

Date by which county minimum participation requirement must be met for any crop year: October 31 following the cancellation date for the crop year.

8. Insurance unit. Notwithstanding the provisions of section 13 of the policy or any election made on the application for insurance, combination of insurance units will not be recognized.

9. Definitions. "Harvest" with respect to any acreage of corn means picking from the stalk either by hand or machine or cutting for fodder or silage an amount of corn which is equal in value (determined in accordance with section 4 of this rider) to 10 percent or more of the harvested coverage for such acreage.

Approved: Beginning with the 1955 crop year.

[SEAL]

FEDERAL CROP INSURANCE CORPORATION.

No. 62—3

§ 420.70-4 Jackson County.

RIDER NO. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Jackson County, Mich., Beginning With the 1955 Crop Year)

1. Insurable crops. For the purpose of the multiple crop insurance program the insurable crops are:

(a) Corn normally regarded as field corn. The contract will not provide insurance for true type silage corn, corn planted thick for silage or fodder purposes, sweet corn, popcorn, broom corn, corn planted for the development of hybrid seed corn, or any type of corn other than that normally regarded as field corn.

(b) Oats planted for harvest as grain.

(c) Winter wheat planted for harvest as grain. (Insurance to attach the first crop year of the contract only if the application is filed on or before October 31 preceding the calendar year in which the crop for that crop year is normally harvested.)

2. Coverage per acre. (a) The coverage per acre for each insured crop shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

(b) The coverage per acre for each insured crop shall be reduced 10 percent for any acreage not harvested and not planted to a substitute crop.

3. Insurance period. Insurance shall attach at the time of planting to any insured

acreage of any insured crop. Insurance shall cease with respect to any portion of the corn crop upon harvesting and all other insured crops upon threshing or with respect to any portion of any crop upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (i) the end of the normal harvest period for such crop or (ii) December 10 of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

4. Valuing production. In determining any loss under the contract, production of each insurable crop shall be evaluated at the predetermined price established by the Corporation for that crop and shown on the county actuarial table. However, any production of corn or oats which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be evaluated at a value per bushel determined by the Corporation. Wheat which does not grade No. 3 or better and does not grade No. 4 or 5 on the basis of test weight only (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be similarly evaluated.

5. Released crop. Notwithstanding any other provision of the policy, any crop on any insured acreage may be released by the Corporation subject to an appraisal by the Corporation of the yield that would be realized if the crop were harvested, except that any corn may be used for silage or fodder without a release by the Corporation if the insured leaves a number of rows considered by the Corporation to be an adequate representative sample for appraising the yield.

6. Amount of loss. (a) The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of each insured crop (exclusive of any acreage to which insurance did not attach) by the applicable coverage per acre, and the result by the insured interest, and (2) subtracting from the total thereof the insured interest in the value (determined in accordance with section 4 of this rider) of the total production on such acreage of all insured crops. However, if the premium computed for the planted acreage is more than the premium computed for the acreage and interest shown on the acreage report for the insurance unit, the amount of loss so determined shall be reduced on the basis of the ratio of the premium computed for the acreage and interest shown on the acreage report to the premium computed for the planted acreage. The total production for each insured crop on the insurance unit shall be the sum of all production determined in accordance with each of the applicable acreage classifications shown on the production schedule below. Where any small grains are seeded in an insured growing small grain crop on acreage not released by the Corporation, all production shall be counted as the insured small grain on a weight basis. In the case of a volunteer crop, produced with an insured crop, the production of such volunteer crop shall be included in determining the production of the insured crop.

The Corporation reserves the right to determine the amount of production on the basis of an appraisal of any unharvested crop standing in the field.

PRODUCTION SCHEDULE FOR EACH INSURED CROP

Acreage classification

1. Acreage released by the Corporation and planted to a substitute crop.
2. Acreage not harvested and not planted to a substitute crop.
3. Acreage harvested.....
4. Acreage put to another use without the consent of the Corporation.
5. Acreage with reduced yield due solely to cause(s) not insured against.
6. Acreage with reduced yield due partially to cause(s) not insured against and partially to cause(s) insured against.

* Production shall be in bushels for all crops.

(b) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year and declare the premium on such units forfeited by the insured, or (2) allocate the commingled production in such manner as it determines appropriate.

7. Date table.

Discount date: November 30.

Cancellation date: July 15.

Date by which county minimum participation requirements must be met for any crop year: October 31 following the cancellation date for the crop year.

8. Insurance unit. Notwithstanding the provisions of section 13 of the policy or any election made on the application for insurance, combination of insurance units will not be recognized.

9. Definitions. "Harvest" with respect to any acreage of corn means picking from the stalk either by hand or machine or cutting for fodder or silage an amount of corn which is equal in value (determined in accordance with section 4 of this rider) to 10 percent or more of the harvested coverage for such acreage.

Approved: Beginning with the 1955 crop year.

[SEAL]

FEDERAL CROP INSURANCE CORPORATION.

Total production¹

That portion of the appraised production for such acreage which is in excess of 50 percent of the harvested coverage divided by the predetermined price for the crop.

That portion of the appraised production for such acreage which is in excess of 10 percent of the harvested coverage divided by the predetermined price for the crop.

The actual production harvested plus an appraisal of any production left in the field after harvest and an appraisal of corn used for silage or fodder.

Appraised production for such acreage but not less than the harvested coverage divided by the predetermined price for the crop.

Appraised number of bushels by which production for such acreage has been reduced but not less than the harvested coverage divided by the predetermined price for the crop, minus the number of bushels harvested.

Appraised number of bushels by which production for such acreage has been reduced because of cause(s) not insured against.

§ 420.70-5 Allegan County.

RIDER No. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Allegan County, Mich., Beginning With the 1955 Crop Year)

1. Insurable crops. For the purpose of the multiple crop insurance program the insurable crops are:

(a) Corn planted for grain, silage or fodder but not including sweet corn, popcorn, broom corn, or corn planted for the development of hybrid seed corn. However, corn for fodder will not be insured unless it is planted in time reasonably to expect the corn to mature as grain as determined by the Corporation.

(b) Oats planted for harvest as grain.

(c) Winter wheat planted for harvest as grain. (Insurance to attach the first crop year of the contract only if the application is filed on or before October 31 preceding the calendar year in which the crop for that crop year is normally harvested.)

2. Coverage per acre. (a) The coverage per acre for each insured crop shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

(b) The coverage for any acreage of corn, except acreage released and planted to a substitute crop, shall be reduced 10 percent if the value of the total of all production therefrom (determined in accordance with sections 4 and 6 of this rider) does not equal or exceed 10 percent of the coverage for such acreage.

3. Insurance period. Insurance shall attach at the time of planting to any insured acreage of any insured crop. Insurance shall cease with respect to any portion of the corn crop upon harvesting (picking the corn from the stalk either by hand or machine or cutting the corn for fodder or silage) and all other insured crops upon threshing or with respect to any portion of any crop upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (1) the end of the normal harvest period for such crop or (11) December 10 of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

4. Valuing production.

In determining any loss under the contract, production of each insurable crop shall be evaluated at the predetermined price established by the Corporation for that crop and shown on the county actuarial table. However, any production of corn (as set forth below), or oats which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be evaluated at a value per unit determined by the Corporation. Wheat which does not grade No. 3 or better and does not grade No. 4 or 5 on the basis of test weight only (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be similarly evaluated. In order for corn to be evaluated for poor quality it must be a variety of corn adapted to the production of corn for grain and must be harvested as grain or fodder.

5. Released crop. Notwithstanding any other provision of the policy, any crop on any insured acreage may be released by the

Corporation subject to an appraisal by the Corporation of the yield that would be realized if the crop were harvested.

6. Amount of loss. (a) The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of each insured crop (exclusive of any acreage to which insurance did not attach) by the applicable coverage per acre, and the result by the insured interest, and (2) subtracting from the total thereof the insured interest in the value (determined in accordance with section 4 of this rider) of the total production on such acreage of all insured crops. However, if the premium computed for the planted acreage is more than the premium computed for the acreage and interest shown on the acreage report for the insurance unit, the amount of loss so determined shall be reduced on the basis of the ratio of the premium computed for the acreage and interest shown on the acreage report to the premium computed for the planted acreage. The total production for each insured crop on the insurance unit shall be the sum of all production determined in accordance with each of the applicable acreage classifications shown on the production schedule below. Production of corn shall be counted as grain, except that production for any corn harvested for silage and the appraised production for any true type silage corn and corn planted thick for silage but not harvested as silage shall be counted as corn silage. Where any small grains are seeded in an insured growing small grain crop on acreage not released by the Corporation, all production shall be counted as the insured small grain on a weight basis. In the case of a volunteer crop produced with an insured crop, the production of such volunteer crop shall be included in determining the production of the insured crop.

The Corporation reserves the right to determine the amount of production on the basis of an appraisal of any unharvested crop standing in the field.

PRODUCTION SCHEDULE FOR EACH INSURED CROP

Acreage classification

1. Acreage released by the Corporation and planted to a substitute crop.
2. Acreage not planted to a substitute crop.
3. Acreage put to another use without the consent of the Corporation.

Total production¹

That portion of the appraised production for such acreage which is in excess of 50 percent of the harvested coverage divided by the predetermined price for the crop.

The appraised production or the actual production, including an appraisal of corn left in the field after harvest.

Appraised production for such acreage but not less than the harvested coverage divided by the predetermined price for the crop.

¹ Production shall be in bushels for oats and wheat, and in bushels for corn grain or in tons (rounded to tenths) for corn silage, whichever is applicable. No production shall be counted for any corn acreage on which the coverage is reduced 10 percent under section 2 (b) of this rider.

PRODUCTION SCHEDULE FOR EACH INSURED CROP—Continued

Acres classification

4. Acreage with reduced yield Appraised amount by which production for such acreage has been reduced but not less than the harvested coverage divided by the predetermined price for the crop, minus the amount of production harvested.
5. Acreage with reduced yield Appraised amount by which production for such acreage has been reduced because of cause(s) not insured due partially to cause(s) not insured against and insured against.

(b) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year and declare the premium on such units forfeited by the insured, or (2) allocate the commingled production in such manner as it determines appropriate.

7. *Date table.*

Discount date: November 30.

Cancellation date: August 31.

Date by which county minimum participation requirement must be met for any crop year: October 31, following the cancellation date for the crop year.

Approved: Beginning with the 1955 crop year.

[SEAL]

FEDERAL CROP INSURANCE CORPORATION.

§ 420.71 Minnesota.

§ 420.71-2 Dodge County.

RIDER NO. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Dodge County, Minn., Beginning With the 1955 Crop Year)

1. *Insurable crops.* For the purpose of the multiple crop insurance program the insurable crops are:

- (a) Barley planted for harvest as grain.
- (b) Corn normally regarded as field corn. The contract will not provide insurance for true type silage corn, corn planted thick for silage or fodder purposes, sweet corn, popcorn, broom corn, corn planted for development or hybrid seed corn, or any type of corn other than that normally regarded as field corn.
- (c) Flax planted for harvest as seed.
- (d) Oats planted for harvest as grain.
- (e) Soybeans planted for harvest as beans.
- (f) Mixtures of insurable small grains and mixtures of flax and insurable small grains planted for harvest as grain or seed.

Total production

Appraised amount by which production for such acreage has been reduced but not less than the harvested coverage divided by the predetermined price for the crop, minus the amount of production harvested.

2. *Coverage per acre.* (a) The coverage per acre for each insured crop shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

(b) The coverage for any acreage of corn, except acreage released and planted to a substitute crop, shall be reduced 10 percent if the value (at the predetermined price) of the total of all production therefrom (determined in accordance with section 7 of this rider) does not equal or exceed 10 percent of the coverage for such acreage.

3. *Determining coverage(s) and premium(s) for mixtures.* (a) If a mixture of insurable crops is planted the coverage of the predominant crop shall apply.

(b) For the purpose of determining the premium, any acreage of a mixture of insurable crops shall be considered as acreage of the predominant crop.

4. *Insurance period.* Insurance shall attach at the time of planting to any insured acreage of any insured crop. Insurance shall cease with respect to any portion of the corn crop upon harvesting (picking the corn from the stalk either by hand or machine or cutting the corn for fodder or ensilage), all other insured crops upon threshing, or with respect to any portion of any crop upon removal from the field, whichever is earlier.

However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (i) the end of the normal harvest period for such crop or (ii) December 10, of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

5. *Protection against loss of quality.* In determining any loss under the contract, production of each insurable crop shall be evaluated at the predetermined price established by the Corporation for that crop and shown on the county actuarial table. However, any production of barley, corn, flax, oats or soybeans, which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable

causes, and would not meet these requirements if properly handled, shall be evaluated at a value per unit determined by the Corporation.

6. *Released crop.* Notwithstanding any other provision of the policy, any crop on any insured acreage may be released by the Corporation subject to an appraisal by the Corporation of the yield that would be realized if the crop were harvested, except that any corn may be used for ensilage or fodder without a release by the Corporation if the insured leaves a number of rows considered by the Corporation to be an adequate representative sample for appraising the yield.

7. *Amount of loss.* (a) The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of each insured crop (exclusive of any acreage to which insurance did not attach) by the applicable coverage per acre and the result by the insured interest, and (2) subtracting from the total thereof the insured interest in the value (based on the predetermined price) of the total production on such acreage of all insured crops. However, if the premium computed for the planted acreage is more than the premium computed for the acreage and interest shown on the acreage report for the insurance unit, the amount of loss so

PRODUCTION SCHEDULE FOR EACH INSURED CROP

Acreage classification

1. Acreage released by the Corporation and planted to a substitute crop.
2. Acreage not planted to a substitute crop.
3. Acreage put to another use without the consent of the Corporation.
4. Acreage with reduced yield due solely to cause(s) not insured against.
5. Acreage with reduced yield due partially to cause(s) not insured against and insured against.

Production shall be in bushels for all crops. No production shall be counted for any corn acreage on which the coverage is reduced 10 percent under section 2 (b) of this rider.

(b) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year and declare the premium on such units forfeited by the insured, or (2) allocate the commingled pro-

determined shall be reduced on the basis of the ratio of the premium computed for the acreage and interest shown on the acreage report to the premium computed for the planted acreage. The total production for each insured crop on the insurance unit shall be the sum of all production determined in accordance with each of the applicable acreage classifications shown on the production schedule below. In determining production on acreage where a mixture of flax and an insurable small grain is insured, the production of each commodity shall be determined and handled separately. In determining production on acreage where a mixture of insurable small grains (excluding flax) is insured, all production shall be counted as the insured small grain on a weight basis. In the case of a volunteer crop produced with an insured growing small grain crop on acreage not released by the Corporation, all production shall be counted as the insured small grain on a weight basis. Where any small grains are seeded with an insured growing small grain crop on acreage not released by the Corporation, the production of such volunteer crop shall be included in determining the production of the insured crop.

The Corporation reserves the right to determine the amount of production on the basis of an appraisal of any unharvested crop standing in the field.

Total production

That portion of the appraised production for such acreage which is in excess of 50 percent of the harvested coverage divided by the predetermined price for the crop. The appraised production or the actual production, including an appraisal of corn left in the field after harvest and an appraisal of corn used for ensilage or fodder. Appraised production for such acreage but not less than the harvested coverage divided by the predetermined price for the crop.

Appraised number of bushels by which production for the crop, minus the number of bushels harvested. Appraised number of bushels by which production for such acreage has been reduced because of cause(s) not insured against.

duction in such manner as it determines appropriate.

8. *Date table.*

Discount date: November 30.

Cancellation date: February 28.

Approved: Beginning with the 1955 crop year.

[SEAL]

FEDERAL CROP INSURANCE CORPORATION.

§ 420.71-5 *McLeod County.*

RIDER NO. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in McLeod County, Minn., Beginning With the 1955 Crop Year)

1. *Insurable crops.* For the purpose of the multiple crop insurance program the insurable crops are:

(a) Barley planted for harvest as grain.
(b) Corn normally regarded as field corn. The contract will not provide insurance for true type silage corn, corn planted thick for silage or fodder purposes, popcorn, broom corn or corn planted for the development of hybrid seed corn.

(c) Flax planted for harvest as seed.
(d) Oats planted for harvest as grain.
(e) Soybeans planted for harvest as beans.
(f) Spring wheat planted for harvest as grain. (Excluding all durum wheat except red durum.)
(g) Sweet corn planted for commercial processing.

(h) Mixtures of insurable small grains or mixtures of flax and insurable small grains planted for harvest as grain or seed.

2. *Coverage per acre.* (a) The coverage per acre for each insured crop shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

(b) The coverage for any acreage of field corn except acreage released and planted to a substitute crop shall be reduced 10 percent if the value (at the predetermined price) of the total of all production therefrom (determined in accordance with section 7 of this rider) does not equal or exceed 10 percent of the coverage for such acreage.

3. *Determining coverage(s) and premium(s) for mixtures.* (a) If a mixture of insurable crops is planted the coverage of the predominant crop shall apply.

(b) For the purpose of determining the premium, any acreage of a mixture of insurable crops shall be considered as acreage of the predominant crop.

4. *Insurance period.* Insurance shall attach at the time of planting to any insured acreage of any insured crop. Insurance shall cease with respect to any portion of the field corn or sweet corn crop upon harvesting (picking the corn from the stalk either by hand or machine or cutting the corn for fodder or ensilage), all other insured crops upon threshing, or with respect to any portion of any crop upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (i) the end of the normal harvest period for such crop or (ii) December 10, of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

5. *Protection against loss of quality.* In determining any loss under the contract, production of each insurable crop shall be evaluated at the predetermined price established by the Corporation for that crop and shown on the county actuarial table. However, any production of barley, field corn, flax, oats or soybeans which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be evaluated at a value per bushel determined by the Corporation. Wheat which does not grade No. 3 or better and does not grade No. 4 or 5 on the basis of test weight only (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be similarly evaluated.

6. *Released crop.* Notwithstanding any other provision of the policy, any crop on any insured acreage may be released by the Corporation subject to an appraisal by the Corporation of the yield that would be realized if the crop were harvested, except that any corn may be used for ensilage or fodder without a release by the Corporation if the insured leaves a number of rows considered by the Corporation to be an adequate representative sample for appraising the yield.

7. *Amount of loss.* (a) The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of each insured crop (exclusive of any acreage to which insurance did not attach) by the applicable coverage per acre, and the result by the insured interest, and (2) subtracting from the total thereof the insured interest in the value (based on the predetermined price) of the total production on such acreage of all insured crops. However, if the premium computed for the planted acreage is more than the premium computed for the acreage and interest shown on the acreage report for the insurance unit, the amount of loss so determined shall be reduced on the basis of the ratio of the premium computed for the acreage and interest shown

on the acreage report to the premium computed for the planted acreage. The total production for each insured crop on the insurance unit shall be the sum of all production determined in accordance with each of the applicable acreage classifications shown on the production schedule below. In determining production on acreage where a mixture of flax and an insurable small grain is insured, the production of each commodity shall be determined and handled separately. In determining production on acreage where a mixture of insurable small grain (excluding flax) is insured, all production shall be counted as the predominant small grain on a weight basis. Where any small grains are seeded with an insured growing small grain crop on acreage not released by the Corporation, all production shall be counted as the insured small grain on a weight basis. In the case of a volunteer crop produced with an insured crop, the production of such volunteer crop shall be included in determining the production of the insured crop.

The Corporation reserves the right to determine the amount of production on the basis of an appraisal of any unharvested crop standing in the field.

PRODUCTION SCHEDULE FOR EACH INSURED CROP

Acreage classification

1. Acreage released by the Corporation and planted to a substitute crop.
2. Acreage not planted to a substitute crop.
3. Acreage put to another use without the consent of the Corporation.
4. Acreage with reduced yield due solely to cause(s) not insured against.
5. Acreage with reduced yield due partially to cause(s) not insured against and partially to cause(s) insured against.

¹ Production shall be in bushels for all crops except sweet corn which shall be in tons (rounded to tenths). No production shall be counted for any field corn acreage on which the coverage is reduced 10 percent under section 2 (b) of this rider.

Total production¹

That portion of the appraised production for such acreage which is in excess of 50 percent of the harvested coverage divided by the predetermined price for the crop. The appraised production or the actual production, including an appraisal of corn left in the field after harvest and an appraisal of corn used for ensilage or fodder. Appraised production for such acreage but not less than the harvested coverage divided by the predetermined price for the crop. Appraised amount by which production for such acreage has been reduced but not less than the harvested coverage divided by the predetermined price for the crop, minus the amount of production harvested. Appraised amount by which production for such acreage has been reduced because of cause(s) not insured against.

(b) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year and declare the premium on such units forfeited by the insured, or (2) allocate the commingled production in such manner as it determines appropriate.

8. *Date table.*

Discount date: November 30.

Cancellation date: February 28.

Approved: Beginning with the 1955 crop year.

[SEAL]

FEDERAL CROP INSURANCE CORPORATION.

§ 420.71-6 *Stearns County.*

RIDER NO. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Stearns County, Minn., Beginning With the 1955 Crop Year)

1. *Insurable crops.* For the purpose of the multiple crop insurance program the insurable crops are:

(a) Barley planted for harvest as grain.
(b) Corn normally regarded as field corn. The contract will not provide insurance for true type silage corn, corn planted thick for silage or fodder purposes, sweet corn, pop-

corn, broom corn, corn planted for the development of hybrid seed corn, or any type of corn other than that normally regarded as field corn.

(c) Oats planted for harvest as grain.

2. *Coverage per acre.* (a) The coverage per acre for each insured crop shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

(b) The coverage per acre for each insured crop shall be reduced 10 percent for any acreage not harvested and not planted to a substitute crop.

3. *Insurance period.* Insurance shall attach at the time of planting to any insured acreage of any insured crop. Insurance shall cease with respect to any portion of the corn crop upon harvesting, all other insured crops upon threshing or with respect to any portion of any crop upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (i) the end of the normal harvest period for such crop or (ii) December 10, of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

4. *Valuing production.* In determining any loss under the contract, production of each insurable crop shall be evaluated at the predetermined price established by the Cor-

poration for that crop and shown on the county actuarial table. However, any production of corn, oats, or barley which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be evaluated at a value per unit determined by the Corporation.

5. *Released crop.* Notwithstanding any other provision of the policy, any crop on any insured acreage may be released by the Corporation subject to an appraisal by the Corporation of the yield that would be realized if the crop were harvested, except that any corn may be used for ensilage or fodder without a release by the Corporation if the insured leaves a number of rows considered by the Corporation to be an adequate representative sample for appraising the yield.

6. *Amount of loss.* (a) The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of each insured crop (exclusive of any acreage to which insurance did not attach) by the applicable coverage per acre, and the result by the insured interest, and (2) subtracting from the total thereof the insured interest in the value (determined in

accordance with section 4 of this rider) of the total production on such acreage of all insured crops. However, if the premium computed for the planted acreage is more than the premium computed for the acreage and interest shown on the acreage report for the insurance unit, the amount of loss so determined shall be reduced on the basis of the ratio of the premium computed for the acreage and interest shown on the acreage report to the premium computed for the planted acreage. The total production for each insured crop on the insurance unit shall be the sum of all production determined in accordance with each of the applicable acreage classifications shown on the production schedule below. Where any small grains are seeded with an insured growing small grain crop on acreage not released by the Corporation, all production shall be counted as the insured small grain on a weight basis. In the case of a volunteer crop produced with an insured crop, the production of such volunteer crop shall be included in determining the production of the insured crop.

The Corporation reserves the right to determine the amount of production on the basis of an appraisal of any unharvested crop standing in the field.

stitute crop, shall be reduced 10 percent if the value of the total of all production therefrom (determined in accordance with sections 4 and 6 of this rider) does not equal or exceed 10 percent of the coverage for such acreage.

3. *Insurance period.* Insurance shall attach at the time of planting to any insured acreage of any insured crop. Insurance shall cease with respect to any portion of the corn crop upon harvesting (picking the corn from the stalk either by hand or machine or cutting the corn for fodder or silage) and all other insured crops upon threshing or with respect to any portion of any crop upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (i) the end of the normal harvest period for such crop or (ii) December 10 of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

4. *Valuing production.* In determining any loss under the contract, production of each insured crop shall be evaluated at the predetermined price established by the Corporation for that crop and shown on the county actuarial table. However, any production of corn, oats, rye or soybeans which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be evaluated at a value per unit determined by the Corporation.

5. *Released crop.* Notwithstanding any other provision of the policy, any crop on any insured acreage may be released by the Corporation subject to an appraisal by the Corporation of the yield that would be realized if the crop were harvested, except that any corn may be used for silage or fodder without a release by the Corporation if the insured leaves a number of rows considered by the Corporation to be an adequate representative sample for appraising the yield.

6. *Amount of loss.* (a) The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of each insured crop (exclusive of any acreage to which insurance did not attach) by the applicable coverage per acre, and the result by the insured interest, and (2) subtracting from the total thereof the insured interest in the value (determined in accordance with section 4 of this rider) of the total production on such acreage of all insured crops. However, if the premium computed for the planted acreage is more than the premium computed for the acreage and interest shown on the acreage report for the insurance unit, the amount of loss so determined shall be reduced on the basis of the ratio of the premium computed for the acreage and interest shown on the acreage report to the premium computed for the planted acreage. The total production for each insured crop on the insurance unit shall be the sum of all production determined in accordance with each of the applicable acreage classifications shown on the production schedule below. Where any small grains are seeded in an insured growing small grain crop on acreage not released by the Corporation, all production shall be counted as the insured small grain on a weight basis. In the case of a volunteer crop produced with an insured crop, the production of such volunteer crop shall be included in determining the production of the insured crop.

The Corporation reserves the right to determine the amount of production on the basis of an appraisal of any unharvested crop standing in the field.

PRODUCTION SCHEDULE FOR EACH INSURED CROP

- | Acreage classification | Total production ¹ |
|--|--|
| 1. Acreage released by the Corporation and planted to a substitute crop. | That portion of the appraised production for such acreage which is in excess of 50 percent of the harvested coverage divided by the predetermined price for the crop. |
| 2. Acreage not harvested and not planted to a substitute crop. | That portion of the appraised production for such acreage which is in excess of 10 percent of the harvested coverage divided by the predetermined price for the crop. |
| 3. Acreage harvested..... | The actual production harvested plus an appraisal of any production left in the field after harvest and an appraisal of corn used for ensilage or fodder. |
| 4. Acreage put to another use without the consent of the Corporation. | Appraised production for such acreage but not less than the harvested coverage divided by the predetermined price for the crop. |
| 5. Acreage with reduced yield due solely to cause(s) not insured against. | Appraised number of bushels by which production for such acreage has been reduced but not less than the harvested coverage divided by the predetermined price for the crop, minus the number of bushels harvested. |
| 6. Acreage with reduced yield due partially to cause(s) not insured against and partially to cause(s) insured against. | Appraised number of bushels by which production for such acreage has been reduced because of cause(s) not insured against. |

¹ Production shall be in bushels for all crops.

(b) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year and declare the premium on such units forfeited by the insured, or (2) allocate the commingled production in such manner as it determines appropriate.

7. *Date table.*

Discount date: November 30.

Cancellation date: February 28.

8. *Insurance unit.* Notwithstanding the provisions of section 13 of the policy or any election made on the application for insurance, combination of insurance units will not be recognized.

9. *Definitions.* "Harvest" with respect to any acreage of corn means picking from the stalk either by hand or machine or cutting for fodder or ensilage an amount of corn which is equal in value (determined in accordance with section 4 of this rider) to 10 percent or more of the harvested coverage for such acreage.

Approved: Beginning with the 1955 crop year.

[SEAL]

FEDERAL CROP INSURANCE CORPORATION.

§ 420.71-9 Sherburne County.

RIDER NO. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Sherburne County, Minn., Beginning With the 1955 Crop Year)

1. *Insurable crops.* For the purpose of the multiple crop insurance program the insurable crops are:

(a) Corn normally regarded as field corn. The contract will not provide insurance for true type silage corn, corn planted thick for silage or fodder purposes, sweet corn, popcorn, broom corn, corn planted for the development of hybrid seed corn, or any type of corn other than that normally regarded as field corn.

(b) Oats planted for harvest as grain.

(c) Winter rye planted for harvest as grain. (Insurance to attach the first crop year of the contract only if the application is filed on or before September 30 preceding the calendar year in which the crop for that crop year is normally harvested.)

(d) Soybeans planted for harvest as beans.

2. *Coverage per acre.* (a) The coverage per acre for each insured crop shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

(b) The coverage for any acreage of corn, except acreage released and planted to a sub-

PRODUCTION SCHEDULE FOR EACH INSURED CROP

Acreage classification

Total production¹

1. Acreage released by the Corporation and planted to a substitute crop.
2. Acreage not planted to a substitute crop.
3. Acreage put to another use without the consent of the Corporation.
4. Acreage with reduced yield due solely to cause(s) not insured against.
5. Acreage with reduced yield due partially to cause(s) not insured against and insured against.

¹ Production shall be in bushels for all crops. No production shall be counted for any corn acreage on which the coverage is reduced 10 percent under section 2 (b) of this rider.

(b) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year and declare the premium on such units forfeited by the insured, or (2) allocate the commingled production in such manner as it determines appropriate.

7. Date table.

Discount date: November 30.

Cancellation date: July 31.

Date by which county minimum participation requirement must be met for any crop year: October 31 following the cancellation date for the crop year.

Approved: Beginning with the 1955 crop year.

[SEAL]

FEDERAL CROP INSURANCE CORPORATION.

§ 420.71-14 Dakota, Faribault, Nicollet Counties.

RIDER No. 1 to the MULTIPLE CROP INSURANCE POLICY

(Applicable in Dakota, Faribault and Nicollet Counties, Minn., Beginning With the 1955 Crop Year)

1. *Insurable crops.* For the purpose of the multiple crop insurance program the insurable crops are:

(a) Corn normally regarded as field corn. The contract will not provide insurance for true type silage corn, corn planted thick for silage or fodder purposes, sweet corn, popcorn, broom corn, corn planted for the development of hybrid seed corn, or any type

requirements if properly handled, shall be evaluated at a value per unit determined by the Corporation.

5. *Released crop.* Notwithstanding any other provision of the policy, any crop on any insured acreage may be released by the Corporation subject to an appraisal by the Corporation of the yield that would be realized if the crop were harvested, except that any corn may be used for ensilage or fodder without a release by the Corporation if the insured leaves a number of rows considered by the Corporation to be an adequate representative sample for appraising the yield.

6. *Amount of loss.* (a) The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of each insured crop (exclusive of any acreage to which insurance did not attach) by the applicable coverage per acre, and the result by the insured interest, and (2) subtracting from the total thereof the insured interest in the value (determined in accordance with section 4 of this rider) of the total production on such acreage of all insured crops. However, if the premium computed for the planted

acreage is more than the premium computed for the acreage and interest shown on the acreage report for the insurance unit, the amount of loss so determined shall be reduced on the basis of the ratio of the premium computed for the acreage and interest shown on the acreage report to the premium computed for the planted acreage. The total production for each insured crop on the insurance unit shall be the sum of all production determined in accordance with each of the applicable acreage classifications shown on the production schedule below. Where any small grains are seeded with an insured growing small grain crop on acreage not released by the Corporation, all production shall be counted as the insured small grain on a weight basis. In the case of a volunteer crop produced with an insured crop, the production of such volunteer crop shall be included in determining the production of the insured crop.

The Corporation reserves the right to determine the amount of production on the basis of an appraisal of any unharvested crop standing in the field.

PRODUCTION SCHEDULE FOR EACH INSURED CROP

Acreage classification

Total production¹

1. Acreage released by the Corporation and planted to a substitute crop.
2. Acreage not harvested and not planted to a substitute crop.
3. Acreage harvested.
4. Acreage put to another use without the consent of the Corporation.
5. Acreage with reduced yield due solely to cause(s) not insured against.
6. Acreage with reduced yield due partially to cause(s) not insured against and insured against.

¹ Production shall be in bushels for all crops.

(b) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year and declare the premium on such units forfeited by the insured, or (2) allocate the commingled production in such manner as it determines appropriate.

7. Date table.

Discount date: November 30.

Cancellation date: February 28.

8. *Insurance unit.* Notwithstanding the provisions of section 13 of the policy or any election made on the application for insurance, combination of insurance units will not be recognized.

9. *Definitions.* "Harvest" with respect to any acreage of corn means picking from the stalk either by hand or machine or cutting for fodder or ensilage an amount of corn

which is equal in value (determined in accordance with section 4 of this rider) to 10 percent or more of the harvested coverage for such acreage.

Approved: Beginning with the 1955 crop year.

[SEAL]

FEDERAL CROP INSURANCE CORPORATION.

§ 420.71-15 Goodhue, Kandiyohi, Stevens, Swift Counties.

RIDER NO. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Goodhue, Kandiyohi, Stevens, and Swift Counties, Minn., Beginning With the 1955 Crop Year)

1. *Insurable crops.* For the purpose of the multiple crop insurance program the insurable crops are:

- (a) Barley planted for harvest as grain.
- (b) Corn normally regarded as field corn. The contract will not provide insurance for true type silage corn, corn planted thick for silage or fodder purposes, sweet corn, popcorn, broom corn, corn planted for the development of hybrid seed corn, or any type of corn other than that normally regarded as field corn.
- (c) Flax planted for harvest as seed.
- (d) Oats planted for harvest as grain.
- (e) Soybeans planted for harvest as beans.
- (f) Spring wheat planted for harvest as grain. (Excluding all durum wheat except red durum.)
- (g) Mixtures of insurable small grains or mixtures of flax and insurable small grains planted for harvest as grain or seed.

2. *Coverage per acre.* (a) The coverage per acre for each insured crop shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

(b) The coverage for any acreage of corn, except acreage released and planted to a substitute crop, shall be reduced 10 percent if the value (at the predetermined price) of the total of all production therefrom (determined in accordance with section 7 of this rider) does not equal or exceed 10 percent of the coverage for such acreage.

3. *Determining coverage(s) and premium(s) for mixtures.* (a) If a mixture of insurable crops is planted the coverage of the predominant crop shall apply.

(b) For the purpose of determining the premium, any acreage of a mixture of insurable crops shall be considered as acreage of the predominant crop.

4. *Insurance period.* Insurance shall attach at the time of planting to any insured acreage of any insured crop. Insurance shall cease with respect to any portion of the corn crop upon harvesting (picking the corn from the stalk either by hand or machine or cutting the corn for fodder or ensilage), all other insured crops upon threshing, or with respect to any portion of any crop upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (1) the end of the normal harvest period for such crop or (2) December 10, of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

5. *Protection against loss of quality.* In determining any loss under the contract, production of each insurable crop shall be evaluated at the predetermined price established by the Corporation for that crop and shown on the county actuarial table. However, any production of barley, corn, flax, oats or soybeans which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes, and would not meet

these requirements if properly handled, shall be evaluated at a value per bushel determined by the Corporation. Wheat which does not grade No. 3 or better and does not grade No. 4 or 5 on the basis of test weight only (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be similarly evaluated.

6. *Released crop.* Notwithstanding any other provision of the policy, any crop on any insured acreage may be released by the Corporation subject to an appraisal by the Corporation of the yield that would be realized if the crop were harvested, except that any corn may be used for ensilage or fodder without a release by the Corporation if the insured leaves a number of rows considered by the Corporation to be an adequate representative sample for appraising the yield.

7. *Amount of loss.* (a) The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of each insured crop (exclusive of any acreage to which insurance did not attach) by the applicable coverage per acre, and the result by the insured interest, and (2) subtracting from the total thereof the insured interest in the value (based on the predetermined price) of the total production on such acreage of all insured crops. However, if the premium computed for the plant-

ed acreage is more than the premium computed for the acreage and interest shown on the acreage report for the insurance unit, the amount of loss so determined shall be reduced on the basis of the ratio of the premium computed for the acreage and interest shown on the acreage report to the premium computed for the planted acreage. The total production for each insured crop on the insurance unit shall be the sum of all production determined in accordance with each of the applicable acreage classifications shown on the production schedule below. In determining production on acreage where a mixture of flax and an insurable small grain is insured, the production of each commodity shall be determined and handled separately. In determining production on acreage where a mixture of insurable small grains (excluding flax) is insured, all production shall be counted as the predominant small grain on a weight basis. Where any small grains are seeded with an insured growing small grain crop on acreage not released by the Corporation, all production shall be counted as the insured small grain on a weight basis. In the case of a volunteer crop produced with an insured crop, the production of such volunteer crop shall be included in determining the production of the insured crop.

The Corporation reserves the right to determine the amount of production on the basis of an appraisal of any unharvested crop standing in the field.

PRODUCTION SCHEDULE FOR EACH INSURED CROP

Acreage classification	Total production ¹
1. Acreage released by the Corporation and planted to a substitute crop.	That portion of the appraised production for such acreage which is in excess of 50 percent of the harvested coverage divided by the predetermined price for the crop.
2. Acreage not planted to a substitute crop.	The appraised production or the actual production, including an appraisal of corn left in the field after harvest and an appraisal of corn used for ensilage or fodder.
3. Acreage put to another use without the consent of the Corporation.	Appraised production for such acreage but not less than the harvested coverage divided by the predetermined price for the crop.
4. Acreage with reduced yield due solely to cause(s) not insured against.	Appraised number of bushels by which production for such acreage has been reduced but not less than the harvested coverage divided by the predetermined price for the crop, minus the number of bushels harvested.
5. Acreage with reduced yield due partially to cause(s) not insured against and partially to cause(s) insured against.	Appraised number of bushels by which production for such acreage has been reduced because of cause(s) not insured against.

¹ Production shall be in bushels for all crops. No production shall be counted for any corn acreage on which the coverage is reduced 10 percent under section 2 (b) of this rider.

(b) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year and declare the premium on such units forfeited by the insured, or (2) allocate the commingled production in such manner as it determines appropriate.

8. *Date table.*
Discount date: November 30.
Cancellation date: February 28.

Approved: Beginning with the 1955 crop year.

[SEAL]

FEDERAL CROP INSURANCE CORPORATION.

§ 420.73 Missouri.

§ 420.73-1 Audrain County.

RIDER NO. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Audrain County, Mo., Beginning With the 1955 Crop Year)

1. *Insurable crops.* For the purpose of the multiple crop insurance program the insurable crops are:

(a) Corn normally regarded as field corn. The contract will not provide insurance for true type silage corn, corn planted thick for silage or fodder purposes, sweet corn, popcorn, broom corn, corn planted for the development of hybrid seed corn, or any type of corn other than that normally regarded as field corn.

(b) Oats planted for harvest as grain.
(c) Soybeans planted for harvest as beans.
(d) Winter wheat planted for harvest as grain. (Insurance to attach the first crop year of the contract only if the application is filed on or before October 31 preceding the calendar year in which the crop for that crop year is normally harvested.)

2. *Coverage per acre.* (a) The coverage per acre for each insured crop shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

(b) The coverage per acre for each insured crop shall be reduced 10 percent for any acreage not harvested and not planted to a substitute crop.

3. *Insurance period.* Insurance shall attach at the time of planting to any insured acreage of any insured crop. For any crop year insurance shall attach subject to the minimum participation requirement being met by the March 31 following the cancella-

PRODUCTION SCHEDULE FOR EACH INSURED CROP

tion date for that crop year. Insurance shall cease with respect to any portion of the corn crop upon harvesting and all other insured crops upon threshing or with respect to any portion of any crop upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (i) the end of the normal harvest period for such crop or (ii) December 10 of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

4. **Valuing production.** In determining any loss under the contract, production of each insurable crop shall be evaluated at the predetermined price established by the Corporation for that crop and shown on the county actuarial table. However, any production of corn, oats or soybeans which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be evaluated at a value per bushel determined by the Corporation. Wheat which does not grade No. 3 or better and does not grade No. 4 or 5 on the basis of test weight only (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be similarly evaluated.

5. **Released crop.** Notwithstanding any other provision of the policy any crop on any insured acreage may be released by the Corporation subject to an appraisal by the Corporation of the yield that would be realized if the crop were harvested, except that any corn may be used for silage or fodder without a release by the Corporation if the insured leaves a number of rows considered by the Corporation to be an adequate representative sample for appraising the yield.

6. **Amount of loss.** (a) The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of each insured crop (exclusive of any acreage to which insurance did not attach) by the applicable coverage per acre, and the result by the insured interest, and (2) subtracting from the total thereof the insured interest in the value (determined in accordance with section 4 of this rider) of the total production on such acreage of all insured crops. However, if the premium computed for the planted acreage is more than the premium computed for the acreage and interest shown on the acreage report for the insurance unit, the amount of loss so determined shall be reduced on the basis of the ratio of the premium computed for the acreage and interest shown on the acreage report to the premium computed for the planted acreage. The total production for each insured crop on the insurance unit shall be the sum of all production determined in accordance with each of the applicable acreage classifications shown on the production schedule below. Where any small grains are seeded in an insured growing small grain crop on acreage not released by the Corporation, all production shall be counted as the insured small grain on a weight basis. In the case of a volunteer crop, produced with an insured crop, the production of such volunteer crop shall be included in determining the production of the insured crop.

The Corporation reserves the right to determine the amount of production on the basis of an appraisal of any unharvested crop standing in the field.

Acreage classification

1. Acreage released by the Corporation and planted to a substitute crop.
2. Acreage not harvested and not planted to a substitute crop.
3. Acreage harvested.
4. Acreage put to another use without the consent of the Corporation.
5. Acreage with reduced yield due solely to cause(s) not insured against.
6. Acreage with reduced yield due partially to cause(s) not insured against and partially to cause(s) insured against.

Total production¹

- That portion of the appraised production for such acreage which is in excess of 50 percent of the harvested coverage divided by the predetermined price for the crop.
- That portion of the appraised production for such acreage which is in excess of 10 percent of the harvested coverage divided by the predetermined price for the crop.
- The actual production harvested plus an appraisal of any production left in the field after harvest and an appraisal of corn used for silage or fodder.
- Appraised production for such acreage but not less than the harvested coverage divided by the predetermined price for the crop.
- Appraised number of bushels by which production for such acreage has been reduced but not less than the harvested coverage divided by the predetermined price for the crop, minus the number of bushels harvested.
- Appraised number of bushels by which production for such acreage has been reduced because of cause(s) not insured against.

¹ Production shall be in bushels for all crops.

(b) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year and declare the premium on such units forfeited by the insured, or (2) allocate the commingled production in such manner as it determines appropriate.

7. Date table.

Discount date: November 30.

Cancellation date: July 15.

8. **Insurance unit.** Notwithstanding the provisions of section 13 of the policy or any election made on the application for insurance, combination of insurance units will not be recognized.

9. **Definitions.** "Harvest" with respect to any acreage of corn means picking from the stalk either by hand or machine or cutting for fodder or silage an amount of corn which is equal in value (determined in accordance with section 4 of this rider) to 10 percent or more of the harvested coverage for such acreage.

Approved: Beginning with the 1955 crop year.

[SEAL]

FEDERAL CROP INSURANCE CORPORATION.

§ 420.73-4 Knox, Lewis Counties.

RIDER No. 1 to THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Knox and Lewis Counties, Mo., Beginning With the 1955 Crop Year)

1. **Insurable crops.** For the purpose of the multiple crop insurance program the insurable crops are:

(a) Corn normally regarded as field corn. The contract will not provide insurance for true type silage corn, corn planted thick for silage or fodder purposes, sweet corn, popcorn, broom corn, corn planted for the development of hybrid seed corn, or any type of corn other than that normally regarded as field corn.

(b) Oats planted for harvest as grain.

(c) Soybeans planted for harvest as beans.

(d) Winter wheat planted for harvest as grain. (Insurance to attach the first crop year of the contract only if the application is filed on or before October 31 preceding the calendar year in which the crop for that crop year is normally harvested.)

2. **Coverage per acre.** (a) The coverage per acre for each insured crop shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

(b) The coverage for any acreage of corn, except acreage released and planted to a substitute crop, shall be reduced 10 percent if the value of the total of all production therefrom (determined in accordance with sections 4 and 6 of this rider) does not equal or exceed 10 percent of the coverage for such acreage.

3. **Insurance period.** Insurance shall attach at the time of planting to any insured acreage of any insured crop. Insurance shall cease with respect to any portion of the corn crop upon harvesting (picking the corn from the stalk either by hand or machine or cutting the corn for fodder or silage) and all other insured crops upon threshing or with respect to any portion of any crop upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (i) the end of the normal harvest period for such crop or (ii) December 10 of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

4. **Valuing production.** In determining any loss under the contract, production of each insurable crop shall be evaluated at the predetermined price established by the Corporation for that crop and shown on the county actuarial table. However, any production of corn, oats, or soybeans which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be evaluated at a value per unit determined by the Corporation. Wheat which does not grade No. 3 or better and does not grade No. 4 or 5 on the basis of test weight only (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be similarly evaluated.

5. **Released crop.** Notwithstanding any other provision of the policy, any crop on any insured acreage may be released by the Corporation subject to an appraisal by the Corporation of the yield that would be realized.

ized if the crop were harvested, except that any corn may be used for silage or fodder without a release by the Corporation if the insured leaves a number of rows considered by the Corporation to be an adequate representative sample for appraising the yield.

6. *Amount of loss.* (a) The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of each insured crop (exclusive of any acreage to which insurance did not attach) by the applicable coverage per acre, and the result by the insured interest, and (2) subtracting from the total thereof the insured interest in the value (determined in accordance with section 4 of this rider) of the total production on such acreage of all insured crops. However, if the premium computed for the planted acreage is more than the premium computed for the acreage and interest shown on the acreage report for the insurance unit, the amount of loss so deter-

mined shall be reduced on the basis of the ratio of the premium computed for the acreage and interest shown on the acreage report to the premium computed for the planted acreage. The total production for each insured crop on the insurance unit shall be the sum of all production determined in accordance with each of the applicable acreage classifications shown on the production schedule below. Where any small grains are seeded in an insured growing small grain crop on acreage not released by the Corporation, all production shall be counted as the insured small grain on a weight basis. In the case of a volunteer crop produced with an insured crop, the production of such volunteer crop shall be included in determining the production of the insured crop.

The Corporation reserves the right to determine the amount of production on the basis of an appraisal of any unharvested crop standing in the field.

(picking the corn from the stalk either by hand or machine or cutting the corn for fodder or silage), the hay crop upon baling or stacking, and all other insured crops upon threshing or with respect to any portion of any crop upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (i) the end of the normal harvest period for such crop or (ii) December 10 of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

4. *Valuing production.* In determining any loss under the contract, production of each insured crop shall be evaluated at the predetermined price established by the Corporation for that crop and shown on the county actuarial table. However, any production of corn or oats which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be evaluated at the value per unit determined by the Corporation. Wheat which does not grade No. 3 or better and does not grade No. 4 or 5 on the basis of test weight only (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be similarly evaluated. The Corporation will value any hay it determines to be unfit for feed due to insurable causes at such price as it deems to be the market value.

5. *Released crop.* Notwithstanding any other provision of the policy, any crop on any insured acreage may be released by the Corporation subject to an appraisal by the Corporation of the yield that would be realized if the crop were harvested, except that any corn may be used for silage or fodder without a release by the Corporation if the insured leaves a number of rows considered by the Corporation to be an adequate representative sample for appraising the yield.

6. *Amount of loss.* (a) The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of each insured crop (exclusive of any acreage to which insurance did not attach) by the applicable coverage per acre, and the result by the insured interest, and (2) subtracting from the total thereof the insured interest in the value (determined in accordance with section 4 of this rider) of the total production on such acreage of all insured crops. However, if the premium computed for the planted acreage is more than the premium computed for the acreage and interest shown on the acreage report for the insurance unit, the amount of loss so determined shall be reduced on the basis of the ratio of the premium computed for the acreage and interest shown on the acreage report to the premium computed for the planted acreage. The total production for each insured crop on the insurance unit shall be the sum of all production determined in accordance with each of the applicable acreage classifications shown on the production schedule below. Where any small grains are seeded in an insured growing small grain crop on acreage not released by the Corporation, all production shall be counted as the insured small grain on a weight basis. In the case of a volunteer crop produced with an insured crop, the production of such volunteer crop shall be included in determining the production of the insured crop.

The Corporation reserves the right to determine the amount of production on the basis of an appraisal of any unharvested crop standing in the field.

PRODUCTION SCHEDULE FOR EACH INSURED CROP

Acreage classification

1. Acreage released by the Corporation and planted to a substitute crop.
2. Acreage not planted to a substitute crop.
3. Acreage put to another use without the consent of the Corporation.
4. Acreage with reduced yield due solely to cause(s) not insured against.
5. Acreage with reduced yield due partially to cause(s) not insured against and partially to cause(s) insured against.

Total production¹

- That portion of the appraised production for such acreage which is in excess of 50 percent of the harvested coverage divided by the predetermined price for the crop.
- The appraised production or the actual production, including an appraisal of corn left in the field after harvest and an appraisal of corn used for silage or fodder.
- Appraised production for such acreage but not less than the harvested coverage divided by the predetermined price for the crop.
- Appraised number of bushels by which production for such acreage has been reduced but not less than the harvested coverage divided by the predetermined price for the crop, minus the number of bushels harvested.
- Appraised number of bushels by which production for such acreage has been reduced because of cause(s) not insured against.

¹ Production shall be in bushels for all crops. No production shall be counted for any corn acreage on which the coverage is reduced 10 percent under section 2 (b) of this rider.

(b) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year and declare the premium on such units forfeited by the insured, or (2) allocate the commingled production in such manner as it determines appropriate.

7. Date table.

Discount date: November 30.

Cancellation date: August 31.

Date by which county minimum participation requirement must be met for any crop year: October 31 following the cancellation date for the crop year.

Approved: Beginning with the 1955 crop year.

[SEAL]

FEDERAL CROP INSURANCE CORPORATION.

\$ 420.75 Nebraska.

\$ 420.75-1 Pawnee County.

RIDER NO. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Pawnee County, Nebr., Beginning With the 1955 Crop Year)

1. *Insurable crops.* For the purpose of the multiple crop insurance program the insurable crops are:

(a) Alfalfa hay and mixtures of brome and alfalfa hay. (Insurance to attach the first crop year of the contract only if the application is filed on or before September 30 pre-

ceding the calendar year in which the crop for that crop year is normally harvested.)

(b) Corn normally regarded as field corn. The contract will not provide insurance for true type silage corn, corn planted thick for silage or fodder purposes, sweet corn, popcorn, broom corn, corn planted for the development of hybrid seed corn, or any type of corn other than that normally regarded as field corn.

(c) Oats planted for harvest as grain.

(d) Winter wheat planted for harvest as grain. (Insurance to attach the first crop year of the contract only if the application is filed on or before September 30 preceding the calendar year in which the crop for that crop year is normally harvested.)

2. *Coverage per acre.* (a) The coverage per acre for each insured crop shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

(b) The coverage for any acreage of corn, except acreage released and planted to a substitute crop shall be reduced 10 percent if the value of the total of all production therefrom (determined in accordance with sections 4 and 6 of this rider) does not equal or exceed 10 percent of the coverage for such acreage.

3. *Insurance period.* Insurance shall attach at the time of planting to any insured acreage of any insured crop except hay, in which case insurance shall attach on November 1 (preceding harvest) provided there is a stand at that time sufficient that farmers in the area generally would leave it for harvest the following harvest season. Insurance shall cease with respect to any portion of the corn crop upon harvesting

PRODUCTION SCHEDULE FOR EACH INSURED CROP

Acreage classification

1. Acreage released by the Corporation and planted to a substitute crop.
2. Acreage not planted to a substitute crop.
3. Acreage put to another use without the consent of the Corporation.
4. Acreage with reduced yield due solely to cause(s) not insured against.
5. Acreage with reduced yield due partially to cause(s) not insured against and partially to cause(s) insured against.

¹ Production shall be in bushels for corn, oats and wheat and tons (rounded to tenths) for hay. No production shall be counted for any corn acreage on which the coverage is reduced 10 percent under section 2 (b) of this rider.

(b) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year and declare the premium on such units forfeited by the insured, or (2) allocate the commingled production in such manner as it determines appropriate.

7. Date table.

Discount date: November 30.

Cancellation date: July 31.

Date by which county minimum participation requirement must be met for any crop year: September 30 following the cancellation date for the crop year.

8. Definitions. For all purposes under the contract alfalfa and mixtures of brome and alfalfa for harvest within the crop year shall be considered to have been planted as of the beginning of the insurance period for that crop year.

Approved: beginning with the 1955 crop year.

[SEAL]

FEDERAL CROP INSURANCE CORPORATION.

§ 420.75-2 Antelope County.

RIDER NO. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Antelope County, Nebr., Beginning With the 1955 Crop Year)

1. Insurable crops. For the purpose of the multiple crop insurance program the insurable crops are:

(a) Corn normally regarded as field corn. The contract will not provide insurance for

removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (i) the end of the normal harvest period for such crop or (ii) December 10 of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

4. Valuing production. In determining any loss under the contract, production of each insurable crop shall be evaluated at the predetermined price established by the Corporation for that crop and shown on the county actuarial table. However, any production of corn, oats or rye which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be evaluated at a value per unit determined by the Corporation. Wheat which does not grade No. 3 or better and does not grade No. 4 or 5 on the basis of test weight only (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be similarly evaluated.

5. Released crop. Notwithstanding any other provision of the policy, any crop on any insured acreage may be released by the Corporation subject to an appraisal by the Corporation of the yield that would be realized if the crop were harvested, except that any corn may be used for silage or fodder without a release by the Corporation if the insured leaves a number of rows considered by the Corporation to be an adequate representative sample for appraising the yield.

PRODUCTION SCHEDULE FOR EACH INSURED CROP

Acreage classification

1. Acreage released by the Corporation and planted to a substitute crop.
2. Acreage not planted to a substitute crop.
3. Acreage put to another use without the consent of the Corporation.
4. Acreage with reduced yield due solely to cause(s) not insured against.
5. Acreage with reduced yield due partially to cause(s) not insured against and partially to cause(s) insured against.

¹ Production shall be in bushels for all crops. No production will be counted for any corn acreage on which the coverage is reduced 10 percent under section 2 (b) of this rider.

6. Amount of loss. (a) The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of each insured crop (exclusive of any acreage to which insurance did not attach) by the applicable coverage per acre, and the result by the insured interest, and (2) subtracting from the total thereof the insured interest in the value (determined in accordance with section 4 of this rider) of the total production on such acreage of all insured crops. However, if the premium computed for the planted acreage is more than the premium computed for the acreage and interest shown on the acreage report for the insurance unit, the amount of loss so determined shall be reduced on the basis of the ratio of the premium computed for the acreage and interest shown on the acreage report to the premium computed for the planted acreage. The total production for each insured crop on the insurance unit shall be the sum of all production determined in accordance with each of the applicable acreage classifications shown on the production schedule below. Where any small grains are seeded in an insured growing small grain crop on acreage not released by the Corporation, all production shall be counted as the insured small grain on a weight basis. Where vetch is grown with an insured small grain crop all production of vetch shall be counted as production of such grain crop on a weight basis. In the case of a volunteer crop produced with an insured crop, the production of such volunteer crop shall be included in determining the production of the insured crop.

The Corporation reserves the right to determine the amount of production on the basis of an appraisal of any unharvested crop standing in the field.

Total production¹

- That portion of the appraised production for such acreage which is in excess of 50 percent of the harvested coverage divided by the predetermined price for the crop.
- The appraised production or the actual production, including an appraisal of corn left in the field after harvest and an appraisal of corn used for silage or fodder.
- Appraised production for such acreage but not less than the harvested coverage divided by the predetermined price for the crop.
- Appraised number of bushels by which production for such acreage has been reduced but not less than the harvested coverage divided by the predetermined price for the crop, minus the number of bushels harvested.
- Appraised number of bushels by which production for such acreage has been reduced because of cause(s) not insured against.

(b) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year and declare the premium on such units forfeited by the insured, or (2) allocate the commingled production in such manner as it determines appropriate.

7. Date table.

Discount date: November 30.

Cancellation date: July 31.

Date by which county minimum participation requirement must be met for any crop year: September 30 following the cancellation date for the crop year.

Approved: Beginning with the 1955 crop year.

[SEAL]

FEDERAL CROP INSURANCE CORPORATION.

§ 420.75-3 Washington County.

RIDER NO. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Washington County, Nebr., Beginning With the 1955 Crop Year)

1. Insurable crops. For the purpose of the multiple crop insurance program the insurable crops are:

(a) Corn normally regarded as field corn. The contract will not provide insurance for true type silage corn, corn planted thick for silage or fodder purposes, sweet corn, popcorn, broom corn, corn planted for the development of hybrid seed corn, or any type of corn other than that normally regarded as field corn.

(b) Oats planted for harvest as grain.

(c) Soybeans planted for harvest as beans.

(d) Winter wheat planted for harvest as grain. (Insurance to attach the first crop year of the contract only if the application is filed on or before September 30 preceding the calendar year in which the crop for that crop year is normally harvested.)

2. Coverage per acre. (a) The coverage per acre for each insured crop shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

(b) The coverage for any acreage of corn except acreage released and planted to a substitute crop shall be reduced 10 percent if the value of the total of all production therefrom (determined in accordance with sections 4 and 6 of this rider) does not equal or exceed 10 percent of the coverage for such acreage.

3. Insurance period. Insurance shall attach at the time of planting to any insured acreage of any insured crop. For any crop year insurance shall attach subject to the minimum participation requirement being met by the March 31 following the cancellation date for that crop year. Insurance shall cease with respect to any portion of the corn crop upon harvesting (picking the corn from the stalk either by hand or machine or cutting the corn for fodder or silage), and all other insured crops upon threshing or with respect to any portion of any crop upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (1) the end of the normal harvest period for such crop or (2) December 10 of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

4. Valuing production. In determining any loss under the contract, production of each insurable crop shall be evaluated at the predetermined price established by the Corporation for that crop and shown on the

county actuarial table. However, any production of corn, oats or soybeans which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be evaluated at a value per unit determined by the Corporation. Wheat which does not grade No. 3 or better and does not grade No. 4 or 5 on the basis of test weight only (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be similarly evaluated.

5. Released crop. Notwithstanding any other provision of the policy, any crop on any insured acreage may be released by the Corporation subject to an appraisal by the Corporation of the yield that would be realized if the crop were harvested, except that any corn may be used for silage or fodder without a release by the Corporation if the insured leaves a number of rows considered by the Corporation to be an adequate representative sample for appraising the yield.

6. Amount of loss. (a) The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of each insured crop (exclusive of any acreage to which insurance did not

attach) by the applicable coverage per acre, and the result by the insured interest, and (2) subtracting from the total thereof the insured interest in the value (determined in accordance with section 4 of this rider) of the total production on such acreage of all insured crops. However, if the premium computed for the planted acreage is more than the premium computed for the acreage and interest shown on the acreage report for the insurance unit, the amount of loss so determined shall be reduced on the basis of the ratio of the premium computed for the acreage and interest shown on the acreage report to the premium computed for the planted acreage. The total production for each insured crop on the insurance unit shall be the sum of all production determined in accordance with each of the applicable acreage classifications shown on the production schedule below. Where any small grains are seeded in an insured growing small grain crop on acreage not released by the Corporation, all production shall be counted as the insured small grain on a weight basis. In the case of a volunteer crop produced with an insured crop, the production of such volunteer crop shall be included in determining the production of the insured crop.

The Corporation reserves the right to determine the amount of production on the basis of an appraisal of any unharvested crop standing in the field.

PRODUCTION SCHEDULE FOR EACH INSURED CROP

Acreage classification	Total production ¹
1. Acreage released by the Corporation and planted to a substitute crop.	That portion of the appraised production for such acreage which is in excess of 50 percent of the harvested coverage divided by the predetermined price for the crop.
2. Acreage not planted to a substitute crop.	The appraised production or the actual production, including an appraisal of corn left in the field after harvest and an appraisal of corn used for silage or fodder.
3. Acreage put to another use without the consent of the Corporation.	Appraised production for such acreage but not less than the harvested coverage divided by the predetermined price for the crop.
4. Acreage with reduced yield due solely to cause(s) not insured against.	Appraised number of bushels by which production for such acreage has been reduced but not less than the harvested coverage divided by the predetermined price for the crop, minus the number of bushels harvested.
5. Acreage with reduced yield due partially to cause(s) not insured against and partially to cause(s) insured against.	Appraised number of bushels by which production for such acreage has been reduced because of cause(s) not insured against.

¹ Production shall be in bushels for all crops. No production shall be counted for any corn acreage on which the coverage is reduced 10 percent under section 2 (b) of this rider.

(b) If the production from an insurance unit is commingled with the production for any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year and declare the premium on such units forfeited by the insured, or (2) allocate the commingled production in such manner as it determines appropriate.

7. Date table.

Discount date: November 30.

Cancellation date: July 31.

Approved: Beginning with the 1955 crop year.

[SEAL]

FEDERAL CROP INSURANCE CORPORATION.

§ 420.80 New York.

§ 420.80-2 Steuben County.

RIDER NO. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Steuben County, N. Y., Beginning With the 1955 Crop Year)

1. Insurable crops. For the purpose of the multiple crop insurance program the insurable crops are:

(a) Corn planted for grain, silage or fodder but not including sweet corn, popcorn, broom corn, or corn planted for the development of hybrid seed corn. However, corn for fodder will not be insured unless it is planted in time reasonably to expect the corn to mature as grain as determined by the Corporation.

(b) Dry edible beans (pea, medium white, red kidney, and white marrow).

(c) Oats (spring only) planted for harvest as grain.

(d) Potatoes (excluding acreage of less than one acre on an insurance unit) commonly known as Irish potatoes.

(e) Winter wheat planted for harvest as grain. (Insurance to attach the first crop year of the contract only if the application is filed on or before October 31 preceding the calendar year in which the crop for that crop year is normally harvested.)

2. Coverage per acre. (a) The coverage per acre for each insured crop shall be reduced 50 per cent for any acreage released by the Corporation and planted to a substitute crop.

(b) The coverage for any acreage of corn, except acreage released and planted to a substitute crop, shall be reduced 10 percent if the value of the total of all production therefrom (determined in accordance with

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sections 4 and 6 of this rider) does not equal or exceed 10 percent of the coverage for such acreage.

3. *Insurance period.* Insurance shall attach at the time of planting to any insured acreage of any insured crop. Insurance shall cease with respect to any portion of the corn crop upon harvesting (picking the corn from the stalk either by hand or machine or cutting the corn for fodder or silage), the potato crop upon digging and all other insured crops upon threshing or with respect to any portion of any crop upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (i) the end of the normal harvest period for such crop or (ii) December 10 of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

4. *Valuing production.* In determining any loss under the contract, production of each insurable crop shall be evaluated at the predetermined price established by the Corporation for that crop and shown on the county actuarial table. However, any production of corn (as set forth below), oats or potatoes which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be evaluated at a value per unit determined by the Corporation. Wheat which does not grade No. 3 or better and does not grade No. 4 or 5 on the basis of test weight only (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be similarly evaluated. In order for corn to be so evaluated for poor quality it must be a variety of corn adapted to the production of corn for grain and must be harvested as grain or fodder. In order to provide quality protection on dry edible beans, production of beans shall be determined on the basis of sound whole beans.

5. *Released crop.* Notwithstanding any other provision of the policy, any crop on any insured acreage may be released by the Corporation subject to an appraisal by the Corporation of the yield that would be realized if the crop were harvested.

6. *Amount of loss.* (a) The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of each insured crop (exclusive of any acreage to which insurance did not attach) by the applicable coverage per acre, and the result by the insured interest, and (2) subtracting from the total thereof the insured interest in the value (determined in accordance with section 4 of this rider) of the total production on such acreage of all insured crops. However, if the premium computed for the planted acreage is more than the premium computed for the acreage and interest shown on the acreage report for the insurance unit, the amount of loss so determined shall be reduced on the basis of the ratio of the premium computed for the acreage and interest shown on the acreage report to the premium computed for the planted acreage. The total production for each insured crop on the insurance unit shall be the sum of all production determined in accordance with each of the applicable acre-

age classifications shown on the production schedule below. Production of corn shall be counted as grain, except that production for any corn harvested for silage and the appraised production for any true type silage corn and corn planted thick for silage but not harvested as silage shall be counted as corn silage. Where any small grains are seeded in an insured growing small grain crop on acreage not released by the Corpora-

tion, all production shall be counted as the insured small grain on a weight basis. In the case of a volunteer crop produced with an insured crop, the production of such volunteer crop shall be included in determining the production of the insured crop.

The Corporation reserves the right to determine the amount of production on the basis of an appraisal of any unharvested crop standing in the field.

PRODUCTION SCHEDULE FOR EACH INSURED CROP

Acreage classification	Total production ¹
1. Acreage released by the Corporation and planted to a substitute crop.	That portion of the appraised production for such acreage which is in excess of 50 percent of the harvested coverage divided by the predetermined price for the crop. The appraised production or the actual production, including an appraisal of corn left in the field after harvest.
2. Acreage not planted to a substitute crop.	Appraised production for such acreage but not less than the harvested coverage divided by the predetermined price for the crop.
3. Acreage put to another use without the consent of the Corporation.	Appraised amount by which production for such acreage has been reduced but not less than the harvested coverage divided by the predetermined price for the crop, minus the amount of production harvested.
4. Acreage with reduced yield due solely to cause(s) not insured against.	Appraised amount by which production for such acreage has been reduced because of cause(s) not insured against.
5. Acreage with reduced yield due partially to cause(s) not insured against and partially to cause(s) insured against.	

¹ Production shall be in bushels for oats and wheat, hundredweight for beans and potatoes, and in bushels for corn grain or in tons (rounded to tenths) for corn silage. No production shall be counted for any corn acreage on which the coverage is reduced 10 percent under section 2 (b) of this rider.

(b) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year and declare the premium on such units forfeited by the insured, or (2) allocate the commingled production in such manner as it determines appropriate.

7. *Date table.*

Discount date: November 30.

Cancellation date: August 31.

Date by which county minimum participation requirement must be met for any crop year: October 31 following the cancellation date for the crop year.

Approved: Beginning with the 1955 crop year.

[SEAL]

FEDERAL CROP INSURANCE CORPORATION.

§ 420.82 North Dakota.

§ 420.82-8 Richland County.

RIDER No. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Richland County, N. Dak., Beginning With the 1955 Crop Year)

1. *Insurable crops.* For the purpose of the multiple crop insurance program the insurable crops are:

(a) Barley planted for harvest as grain.

(b) Corn normally regarded as field corn. The contract will not provide insurance for true type silage corn, corn planted thick for silage or fodder purposes, sweet corn, popcorn, broom corn, corn planted for the development of hybrid seed corn, or any type

of corn other than that normally regarded as field corn.

(c) Flax planted for harvest as seed.

(d) Oats planted for harvest as grain.

(e) Winter rye planted for harvest as grain. (Insurance not to attach the first crop year of the contract.)

(f) Soybeans planted for harvest as beans.

(g) Spring wheat planted for harvest as grain. (Excluding all durum wheat except red durum.)

2. *Coverage per acre.* The coverage per acre for each insured crop shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

3. *Insurance period.* Insurance shall attach at the time of planting to any insured acreage of any insured crop. Insurance shall cease with respect to any portion of the corn crop upon harvesting (picking the corn from the stalk either by hand or machine or cutting the corn for fodder or ensilage), all other insured crops upon threshing, or with respect to any portion of any crop upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (i) the end of the normal harvest period for such crop or (ii) October 31 of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

4. *Protection against loss of quality.* In determining any loss under the contract, production of each insurable crop shall be evaluated at the predetermined price established by the Corporation for that crop and shown on the county actuarial table. However, any production of barley, corn, flax, oats, rye, or soybeans which will not meet the

latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be evaluated at a value per bushel determined by the Corporation. Wheat which does not grade No. 3 or better and does not grade No. 4 or 5 on the basis of test weight only (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be similarly evaluated.

5. *Released crop.* Notwithstanding any other provision of the policy, any crop on any insured acreage may be released by the Corporation subject to an appraisal by the Corporation of the yield that would be realized if the crop were harvested, except that any corn may be used for ensilage or fodder without a release by the Corporation if the insured leaves a number of rows considered by the Corporation to be an adequate representative sample for appraising the yield.

6. *Amount of loss.* (a) The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of each insured crop (exclusive of any acreage to which insurance did not attach) by the applicable coverage per acre, and the result by the insured interest, and (2) subtracting from the total thereof the insured interest in the value (based on the predetermined price) of the total production on such acreage of all insured crops. However, if the premium computed for the planted acreage is more than the premium computed for the acreage and

interest shown on the acreage report for the insurance unit, the amount of loss so determined shall be reduced on the basis of the ratio of the premium computed for the acreage and interest shown on the acreage report to the premium computed for the planted acreage. The total production for each insured crop on the insurance unit shall be the sum of all production determined in accordance with each of the applicable acreage classifications shown on the production schedule below. However, with respect to any acreage of corn which is not or will not be harvested as corn for grain, the production shall be the appraised production of corn for grain or the appraised or actual production of ensilage, whichever has the higher total value (on the basis of the price per bushel for corn as provided under section 4 above, or the value per ton for ensilage as determined by the Corporation): Provided, however, that if the appraised or actual production of corn which was or could have been used for ensilage is one ton or more per acre, the value of such production shall not be less than \$3.00 per acre. Where any small grains are seeded with an insured growing small grain crop on acreage not released by the Corporation, all production shall be counted as the insured small grain on a weight basis. In the case of a volunteer crop produced with an insured crop, the production of such volunteer crop shall be included in determining the production of the insured crop.

The Corporation reserves the right to determine the amount of production on the basis of an appraisal of any unharvested crop standing in the field.

2. *Coverage per acre.* The coverage per acre for each insured crop shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

3. *Insurance period.* Insurance shall attach at the time of planting to any insured acreage of any insured crop. Insurance shall cease with respect to any portion of all insured crops upon threshing, or with respect to any portion of any crop upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (i) the end of the normal harvest period for such crop or (ii) October 31, of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

4. *Protection against loss of quality.* In determining any loss under the contract, production of each insurable crop shall be evaluated at the predetermined price established by the Corporation for that crop and shown on the county actuarial table. However, any production of barley, flax, oats or rye which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be evaluated at a value per bushel determined by the Corporation. Wheat which does not grade No. 3 or better and does not grade No. 4 or 5 on the basis of test weight only (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be similarly evaluated.

5. *Released crop.* Notwithstanding any other provision of the policy, any crop on any insured acreage may be released by the Corporation subject to an appraisal by the Corporation of the yield that would be realized if the crop were harvested.

6. *Amount of loss.* (a) The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of each insured crop (exclusive of any acreage to which insurance did not attach) by the applicable coverage per acre, and the result by the insured interest, and (2) subtracting from the total thereof the insured interest in the value (based on the predetermined price) of the total production on such acreage of all insured crops. However, if the premium computed for the planted acreage is more than the premium computed for the acreage and interest shown on the acreage report for the insurance unit, the amount of loss so determined shall be reduced on the basis of the ratio of the premium computed for the acreage and interest shown on the acreage report to the premium computed for the planted acreage. The total production for each insured crop on the insurance unit shall be the sum of all production determined in accordance with each of the applicable acreage classifications shown on the production schedule below. Where any small grains are seeded with an insured growing small grain crop on acreage not released by the Corporation, all production shall be counted as the insured small grain on a weight basis. In the case of a volunteer crop produced with an insured crop, the production of such volunteer crop shall be included in determining the production of the insured crop.

The Corporation reserves the right to determine the amount of production on the basis of an appraisal of any unharvested crop standing in the field.

PRODUCTION SCHEDULE FOR EACH INSURED CROP

Acreage classification	Total production ¹
1. Acreage released by the Corporation and planted to a substitute crop.	That portion of the appraised production for such acreage which is in excess of 50 percent of the harvested coverage divided by the predetermined price for the crop.
2. Acreage not planted to a substitute crop.	The appraised production or the actual production, including an appraisal of corn left in the field after harvest and an appraisal of corn used for ensilage or fodder.
3. Acreage put to another use without the consent of the Corporation.	Appraised production for such acreage but not less than the harvested coverage divided by the predetermined price for the crop.
4. Acreage with reduced yield due solely to cause(s) not insured against.	Appraised number of bushels by which production for such acreage has been reduced but not less than the harvested coverage divided by the predetermined price for the crop, minus the number of bushels harvested.
5. Acreage with reduced yield due partially to cause(s) not insured against and partially to cause(s) insured against.	Appraised number of bushels by which production for such acreage has been reduced because of cause(s) not insured against.

¹ Production shall be in bushels for all crops.

(b) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year and declare the premium on such units forfeited by the insured, or (2) allocate the commingled production in such manner as it determines appropriate.

7. *Date table.*

Discount date: November 30.

Cancellation date: February 28.

Approved: Beginning with the 1955 crop year.

[SEAL]

FEDERAL CROP INSURANCE CORPORATION.

§ 420.82-10 Barnes, Dickey, LaMoure, Ransom, Sargent Counties.

RIDER NO. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Barnes, Dickey, LaMoure, Ransom, and Sargent Counties, N. Dak., Beginning With the 1955 Crop Year)

1. *Insurable crops.* For the purpose of the multiple crop insurance program the insurable crops are:

- Barley planted for harvest as grain.
- Flax planted for harvest as seed.
- Oats planted for harvest as grain.
- Winter rye planted for harvest as grain. (Insurance not to attach the first crop year of the contract.)
- Spring wheat planted for harvest as grain. (Excluding all durum wheat except red durum.)

PRODUCTION SCHEDULE FOR EACH INSURED CROP

Acreage classification

1. Acreage released by the Corporation and planted to a substitute crop.
2. Acreage not planted to a substitute crop.
3. Acreage put to another use without the consent of the Corporation.
4. Acreage with reduced yield due solely to cause(s) not insured against.
5. Acreage with reduced yield due partially to cause(s) not insured against and partially to cause(s) insured against.

¹ Production shall be in bushels for all crops.

(b) If the production from an insurance unit is commingled with the production from any other acreage and the insured falls to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year and declare the premium on such units forfeited by the insured, or (2) allocate the commingled production in such manner as it determines appropriate.

7. Date table.

Discount date: November 30.
Cancellation date: February 28.

Approved: Beginning with the 1955 crop year.

[SEAL] FEDERAL CROP INSURANCE CORPORATION.

\$ 420.83 Ohio.

\$ 420.83-3 Union County.

RIDER NO. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Union County, Ohio, Beginning With the 1955 Crop Year)

1. *Insurable crops.* For the purpose of the multiple crop insurance program the insurable crops are:

- (a) Corn normally regarded as field corn. The contract will not provide insurance for true type silage corn, corn planted thick for silage or fodder purposes, sweet corn, popcorn, broom corn, corn planted for the development of hybrid seed corn, or any type of corn other than that normally regarded as field corn.
- (b) Oats planted for harvest as grain.
- (c) Soybeans planted for harvest as beans.
- (d) Winter wheat planted for harvest as grain.

(Insurance to attach the first crop year of the contract only if the application

Total production¹

That portion of the appraised production for such acreage which is in excess of 50 percent of the harvested coverage divided by the predetermined price for the crop.

The appraised production or the actual production.

Appraised production for such acreage but not less than than the harvested coverage divided by the predetermined price for the crop.

Appraised number of bushels by which production for such acreage has been reduced but not less than the harvested coverage divided by the predetermined price for the crop, minus the number of bushels harvested.

Appraised number of bushels by which production for such acreage has been reduced because of cause(s) not insured against.

grade No. 3 or better and does not grade No. 4 or 5 on the basis of test weight only (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be similarly evaluated.

5. *Released crop.* Notwithstanding any other provision of the policy, any crop on any insured acreage may be released by the Corporation subject to an appraisal by the Corporation of the yield that would be realized if the crop were harvested, except that any corn may be used for silage or fodder without a release by the Corporation if the insured leaves a number of rows considered by the Corporation to be an adequate representative sample for appraising the yield.

6. *Amount of loss.* (a) The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planned acreage of each insured crop (exclusive of any acreage to which insurance did not attach) by the applicable coverage per acre, and the result by the insured interest, and (2) subtracting from the total thereof the insured interest in the value (determined in accordance with section 4 of this rider) of

PRODUCTION SCHEDULE FOR EACH INSURED CROP

Acreage classification

1. Acreage released by the Corporation and planted to a substitute crop.
2. Acreage not harvested and not planted to a substitute crop.
3. Acreage harvested.
4. Acreage put to another use without the consent of the Corporation.
5. Acreage with reduced yield due solely to cause(s) not insured against.
6. Acreage with reduced yield due partially to cause(s) not insured against and partially to cause(s) insured against.

¹ Production shall be in bushels for all crops.

(b) If the production from an insurance unit is commingled with the production from any other acreage and the insured falls to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year and declare the premium on such units forfeited by the insured, or (2) allocate the commingled pro-

the total production on such acreage of all insured crops. However, if the premium computed for the planted acreage is more than the premium computed for the acreage and interest shown on the acreage report for the insurance unit, the amount of loss so determined shall be reduced on the basis of the ratio of the premium computed for the acreage and interest shown on the acreage report to the premium computed for the planted acreage. The total production for each insured crop on the insurance unit shall be the sum of all production determined in accordance with each of the applicable acreage classifications shown on the production schedule below. Where any small grains are seeded in an insured growing small grain crop on acreage not released by the Corporation, all production shall be counted as the insured small grain on a weight basis. In the case of a volunteer crop produced with an insured crop, the production of such volunteer crop shall be included in determining the production of the insured crop.

The Corporation reserves the right to determine the amount of production on the basis of an appraisal of any unharvested crop standing in the field.

Total production¹

1. That portion of the appraised production for such acreage which is in excess of 50 percent of the harvested coverage divided by the predetermined price for the crop.
2. That portion of the appraised production for such acreage which is in excess of 10 percent of the harvested coverage divided by the predetermined price for the crop.
3. The actual production harvested plus an appraisal of any production left in the field after harvest and an appraisal of corn used for silage or fodder.
4. Appraised production for such acreage but not less than the harvested coverage divided by the predetermined price for the crop.
5. Appraised number of bushels by which production for such acreage has been reduced but not less than the harvested coverage divided by the predetermined price for the crop, minus the number of bushels harvested.
6. Appraised number of bushels by which production for such acreage has been reduced because of cause(s) not insured against.

duction in such manner as it determines appropriate.

7. Date table.

Discount date: November 30.

Cancellation date: July 15.

Date by which county minimum participation requirement must be met for the 1955 and succeeding crop years: September 15 following the cancellation date for the crop year.

8. *Insurance unit.* Notwithstanding the provisions of section 13 of the policy or any election made on the application for insurance, combination of insurance units will not be recognized.

9. *Definitions.* "Harvest" with respect to any acreage of corn means picking from the stalk either by hand or machine or cutting for fodder or silage an amount of corn which is equal in value (determined in accordance with section 4 of this rider) to 10 percent or more of the harvested coverage for such acreage.

Approved: Beginning with the 1955 crop year.

[SEAL] FEDERAL CROP INSURANCE CORPORATION.

\$ 420.85 Oregon.

\$ 420.85-1 Linn County.

RIDER No. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Linn County, Oreg., Beginning With the 1955 Crop Year)

1. *Insurable crops.* For the purpose of the multiple crop insurance program the insurable crops are:

(a) Barley planted for harvest as grain.
(b) Mixtures of any two or more of the following crops planted for harvest as grain: Barley, oats, wheat.

(c) Oats planted for harvest as grain.
(d) Common rye grass planted for harvest as seed.

(e) Wheat planted for harvest as grain.
(f) Vetch hay and mixtures of oats or wheat with vetch and/or Austrian winter peas, planted for hay.

2. *Coverage per acre.* The coverage per acre for each insured crop shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

3. *Determining coverage(s) and premium(s) of mixtures planted for harvest as grain.* For determining the coverage(s) and premium(s) under the contract, a mixture of barley, oats or wheat planted for harvest as grain shall be considered as the crop in the mixture having the lowest coverage unless the mixture planted contains more than 80 percent by weight of one crop in which event the mixture shall be considered to be that crop.

4. *Insurance period.* Insurance shall attach at the time of planting to any insured acreage of any insured crop, except that for common rye grass initially planted in the spring insurance shall attach on December 1 following the planting provided there is a stand on that date sufficient that farmers in the area generally would leave it for harvest as seed the following harvest season. Insurance shall cease with respect to any portion of the hay crops upon baling or stacking, and all other insured crops upon threshing or with respect to any portion of any crop upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (i) the end of the normal harvest period for such crop or (ii) December 10 of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

5. *Valuing production.* In determining any loss under the contract, production of each insurable crop shall be evaluated at the predetermined price established by the Corporation for that crop and shown on the county actuarial table. However, any production of barley, oats or common rye grass which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be evaluated at a value per unit deter-

mined by the Corporation. Wheat which does not grade No. 3 or better and does not grade No. 4 or 5 on the basis of test weight only (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be similarly evaluated.

6. *Released crop.* Notwithstanding any other provision of the policy, any crop on any insured acreage may be released by the Corporation subject to an appraisal by the Corporation of the yield that would be realized if the crop were harvested.

7. *Amount of loss.* (a) The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of each insured crop (exclusive of any acreage to which insurance did not attach) by the applicable coverage per acre, and the result by the insured interest, and (2) subtracting from the total thereof the insured interest in the value (determined in accordance with section 5 of this rider) of the total production on such acreage of all insured crops. However, if the premium computed for the planted acreage is more than the premium computed for the acreage and interest shown on the acreage report for the insurance unit, the amount of loss so determined shall be reduced on the

basis of the ratio of the premium computed for the acreage and interest shown on the acreage report to the premium computed for the planted acreage. The total production for each insured crop on the insurance unit shall be the sum of all production determined in accordance with each of the applicable acreage classifications shown on the production schedule below. In determining production on acreage where a mixture of barley, oats or wheat planted for harvest as grain is insured, all production shall be counted on a weight basis as the crop used for determining the coverage and premium of such mixture in accordance with item 3 above. Where any small grain is planted in an insured growing small grain crop on acreage not released by the Corporation, all production shall be counted as the insured small grain on a weight basis. In the case of a volunteer crop produced with an insured crop, the production of such volunteer crop shall be included in determining the production of the insured crop. Where vetch is grown with an insured small grain crop all production of vetch shall be counted as production of such grain crop on a weight basis.

The Corporation reserves the right to determine the amount of production on the basis of an appraisal of any unharvested crop standing in the field.

PRODUCTION SCHEDULE FOR EACH INSURED CROP

Acreage classification	Total production ¹
1. Acreage released by the Corporation and planted to a substitute crop.	That portion of the appraised production for such acreage which is in excess of 50 percent of the harvested coverage divided by the predetermined price for the crop.
2. Acreage not planted to a substitute crop.	The appraised production or the actual production.
3. Acreage put to another use without the consent of the Corporation.	Appraised production for such acreage but not less than the harvested coverage divided by the predetermined price for the crop.
4. Acreage with reduced yield due solely to cause(s) not insured against.	Appraised amount by which production for such acreage has been reduced but not less than the harvested coverage divided by the predetermined price for the crop, minus the amount of production harvested.
5. Acreage with reduced yield due partially to cause(s) not insured against and partially to cause(s) insured against.	Appraised amount by which production for such acreage has been reduced because of cause(s) not insured against.

¹ Production shall be in bushels for barley, oats and wheat, pounds for common rye grass, and tons (rounded to tenths) for hay.

(b) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year and declare the premium on such units forfeited by the insured, or (2) allocate the commingled production in such manner as it determines appropriate.

8. *Date table.*
Discount date: November 30.
Cancellation date: September 30.

9. *Definitions.* For all purposes under the contract common rye grass for harvest within the crop year shall be considered to have been planted as of the beginning of the insurance period for that crop year.

Approved: Beginning with the 1955 crop year.

[SEAL] FEDERAL CROP INSURANCE CORPORATION.

\$ 420.85-2 Malheur County.

RIDER No. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Malheur County, Oreg., Beginning With the 1955 Crop Year)

1. *Insurable crops.* For the purpose of the multiple crop insurance program the insurable crops are:

(a) Alfalfa hay.
(b) Barley planted for harvest as grain.
(c) Dry edible beans (small reds).
(d) Mixtures of any two or more of the following crops planted for harvest as grain: Barley, oats, wheat.
(e) Oats planted for harvest as grain.
(f) Potatoes (excluding acreages of less than one acre on an insurance unit) commonly known as Irish potatoes.
(g) Red clover planted for harvest as hay or seed.
(h) Sugar beets planted for production of sugar.

(i) Wheat planted for harvest as grain.
2. *Coverage per acre.* (a) The coverage per acre for each insured crop, except sugar beets, shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

(b) The coverage per acre for sugar beets not lifted and topped shall be reduced as follows:

(i) 80 percent for any acreage released by the Corporation because of damage occurring prior to thinning.

(ii) 60 percent for any acreage which is released by the Corporation because of damage occurring after thinning and planted to a substitute crop.

(iii) 25 percent for any acreage which is released by the Corporation because of damage occurring after thinning and which is not planted to a substitute crop and not lifted and topped.

3. *Determining coverage(s) and premium(s) of mixtures planted for harvest as grain.* For determining the coverage(s) and premium(s) under the contract, a mixture of barley, oats or wheat planted for harvest as grain shall be considered as the crop in the mixture having the lowest coverage unless the mixture planted contains more than 80 percent by weight of one crop in which event the mixture shall be considered to be that crop.

4. *Insurance period.* Insurance shall attach at the time of planting to any insured acreage of any insured crop except alfalfa and red clover in which case insurance shall attach on December 1 (preceding harvest) provided there is a stand on that date sufficient that farmers in the area generally would leave the crop for harvest the following harvest season. Insurance shall cease with respect to any portion of the alfalfa crop upon baling or stacking, the red clover crop upon baling, stacking or threshing, the potato crop upon digging, the sugar beet crop upon lifting and topping, and all other insured crops upon threshing or with respect to any portion of any crop upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (1) the end of the normal harvest period for such crop or (2) December 10 of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

5. *Valuing production.* In determining any loss under the contract, production of each insurable crop shall be evaluated at the predetermined price established by the Corporation for that crop and shown on the county actuarial table. However, any production of barley, oats or potatoes which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be evaluated at a value per unit determined by the Corporation. Wheat which does not grade No. 3 or better and does not grade No. 4 or 5 on the basis of test weight only (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be similarly evaluated. In order to provide quality protection on dry edible beans, production of beans shall be determined on the basis of sound whole beans.

6. *Released crop.* Notwithstanding any other provision of the policy any crop on any insured acreage may be released by the Corporation subject to an appraisal by the Corporation of the yield that would be realized if the crop were harvested.

7. *Amount of loss.* (a) The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of each insured crop (exclusive of any acreage to which insurance did not attach) by the applicable coverage per acre, and the result by the insured interest, and (2) subtracting from the total thereof the insured interest in the value (determined in accordance with section 5 of this rider) of the total production on such acreage of all insured crops. However, if the premium computed for the planted acreage is more than the premium computed for the acreage and interest shown on the acreage report for the insurance unit, the amount of loss so determined shall be reduced on the basis of the ratio of the premium computed for the acreage and interest shown on the acreage report to the premium computed for the planted acreage. The total production for each insured crop on the insurance unit

shall be the sum of all production determined in accordance with each of the applicable acreage classifications shown on the production schedule below. In determining production on acreage where a mixture of barley, oats or wheat planted for harvest as grain is insured, all production shall be counted on a weight basis as the crop used for determining the coverage and premium for such mixture in accordance with item 3 above. Where any small grains are seeded in an insured growing small grain crop on

acreage not released by the Corporation, all production shall be counted as the insured small grain on a weight basis. In the case of a volunteer crop produced with an insured crop, the production of such volunteer crop shall be included in determining the production of the insured crop.

The Corporation reserves the right to determine the amount of production on the basis of an appraisal of any unharvested crop standing in the field.

PRODUCTION SCHEDULE

Crop	Acreage classification	Total production ¹
1. Each insured crop except sugar beets.	Acreage released by the Corporation and planted to a substitute crop.	That portion of the appraised production for such acreage which is in excess of 50 percent of the harvested coverage divided by the predetermined price for the crop.
2. Each insured crop except red clover and sugar beets.	Acreage not planted to a substitute crop.	The appraised production or the actual production.
3. Red clover	Acreage not planted to a substitute crop.	The actual production of hay and seed for acreage harvested (except that the Corporation may count the appraised production for seed in place of the hay production for any cutting) and the appraised production (the appraisal for hay or the appraisal for seed, or both, whichever the Corporation elects) for (1) acreage pastured or (2) production not harvested.
4. Sugar beets	Acreage released by the Corporation because of damage occurring prior to thinning.	The production obtained by dividing the amount of any abandonment payment paid or to be paid to the insured with respect to such acreage under any act of Congress including the Sugar Act of 1948, by the predetermined price, but not in excess of 20 percent of the harvested coverage divided by the predetermined price.
5. Sugar beets	Acreage released by the Corporation because of damage occurring after thinning and planted to a substitute crop.	That portion of the appraised production which is in excess of 60 percent of the harvested coverage divided by the predetermined price, plus the production obtained by dividing the amount of any abandonment payment paid or to be paid to the insured with respect to such acreage under any act of Congress including the Sugar Act of 1948, by the predetermined price, but not in excess of 40 percent of the harvested coverage divided by the predetermined price.
6. Sugar beets	Acreage released by the Corporation because of damage occurring after thinning and which is not planted to a substitute crop and not lifted and topped.	That portion of the appraised production for such acreage which is in excess of 25 percent of the harvested coverage divided by the predetermined price for the crop, plus the production obtained by dividing the amount of any abandonment payment paid or to be paid to the insured with respect to such acreage under any act of Congress including the Sugar Act of 1948, by the predetermined price, but not in excess of 75 percent of the harvested coverage divided by the predetermined price.
7. Sugar beets	Acreage on which the sugar beets are lifted and topped.	Actual production.
8. Each insured crop	Acreage put to another use without the consent of the Corporation.	Appraised production for such acreage but not less than the harvested coverage divided by the predetermined price for the crop.
9. Each insured crop	Acreage with reduced yield due solely to cause(s) not insured against.	Appraised amount by which production for such acreage has been reduced but not less than the harvested coverage divided by the predetermined price for the crop, minus the amount of production harvested.
10. Each insured crop	Acreage with reduced yield due partially to cause(s) not insured against and partially to cause(s) insured against.	Appraised amount by which production for such acreage has been reduced because of cause(s) not insured against.

¹ Production shall be in bushels for barley, oats and wheat, hundredweight for potatoes and pounds for red clover seed, and tons (rounded to tenths) for alfalfa, red clover hay and sugar beets.

(b) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year and declare the premium on such units forfeited by the insured, or (2) allocate the commingled production in such manner as it determines appropriate.

8. *Irrigated acreage.* (a) In addition to the provisions of section 4 of the policy, the following provisions shall apply: (1) the acreage of insurable crops which shall be insured in any year shall not exceed that acreage which can be irrigated adequately with the facilities available and with a supply of irrigation water which reasonably could be expected, taking into consideration the amount of water required to irrigate the acreage of all irrigated crops on the farm, and (2) insurance shall not attach with respect to acreage planted to insurable crops

(1) the first year after being leveled or (2) the first year such acreage is irrigated.

(b) In addition to the causes of loss insured against as shown on the first page of the policy, the contract shall cover loss due to failure of the water supply from natural causes that could not be foreseen and prevented by the insured.

(c) In addition to the causes of loss not insured against as shown in section 8 of the policy, the contract shall not cover loss caused by (1) failure properly to apply irrigation water to any insurable crop in accordance with good farming practices, as determined by the Corporation, and (2) shortage of irrigation water on any farm where the Corporation determines that the total acreage of all irrigated crops on the farm is in excess of that which could be irrigated properly with the facilities available and with the supply of irrigation water which reasonably could be expected.

9. Date table.

Discount date: November 30.

Cancellation date: September 30.

10. *Definitions.* For all purposes under the contract alfalfa and red clover for harvest within the crop year shall be considered to have been planted as of the beginning of the insurance period for that crop year.

Approved: Beginning with the 1955 crop year.

[SEAL]

FEDERAL CROP INSURANCE CORPORATION.

§ 420.85-3 Marion County.

RIDER NO. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Marion County, Oreg., Beginning With the 1955 Crop Year)

1. *Insurable crops.* For the purpose of the multiple crop insurance program the insurable crops are:

- (a) Alfalfa hay.
- (b) Barley planted for harvest as grain.
- (c) Clover hay including any mixture containing a predominance of clover.
- (d) Mixtures of any two or more of the following crops planted for harvest as grain: Barley, oats, and wheat.
- (e) Vetch hay and mixtures of oats or wheat with vetch and/or Austrian winter peas, planted for hay.
- (f) Oats planted for harvest as grain.
- (g) Wheat planted for harvest as grain.

2. *Coverage per acre.* The coverage per acre for each insured crop shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

3. *Determining coverage(s) and premium(s) of mixtures planted for harvest as grain.* For determining the coverage(s) and premium(s) under the contract, a mixture of barley, oats or wheat planted for harvest as grain shall be considered as the crop in the mixture having the lowest coverage unless the mixture planted contains more than 80 percent by weight of one crop in which event the mixture shall be considered to be that crop.

4. *Insurance period.* Insurance shall attach at the time of planting to any insured acreage of any insured crop except alfalfa and clover hay in which cases insurance shall attach on December 1 (preceding harvest) provided there is a stand at that time sufficient that farmers generally in the area would leave the applicable crop for harvest the following harvest season. Insurance shall cease with respect to any portion of the hay crops upon baling or stacking and all other insured crops upon threshing or with respect to any portion of any crop upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (i) the end of the normal harvest period for such crop or (ii) December 10 of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

5. *Valuing production.* In determining any loss under the contract, production of each insurable crop shall be evaluated at the predetermined price established by the Corporation for that crop and shown on the county actuarial table. However, any production of barley or oats which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be evaluated at a value per unit determined by the Corporation. Wheat which does not grade No. 3 or better and does not grade No. 4 or 5 on the basis of test weight only (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes, and would

not meet these requirements if properly handled, shall be similarly evaluated.

6. *Released crop.* Notwithstanding any other provision of the policy, any crop on any insured acreage may be released by the Corporation subject to an appraisal by the Corporation of the yield that would be realized if the crop were harvested.

7. *Amount of loss.* (a) The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of each insured crop (exclusive of any acreage to which insurance did not attach) by the applicable coverage per acre, and the result by the insured interest, and (2) subtracting from the total thereof the insured interest in the value (determined in accordance with section 5 of this rider) of the total production on such acreage of all insured crops. However, if the premium computed for the planted acreage is more than the premium computed for the acreage and interest shown on the acreage report for the insurance unit, the amount of loss so determined shall be reduced on the basis of the ratio of the premium computed for the acreage and interest shown on the acreage report to the premium computed for the planted acreage. The total production for

each insured crop on the insurance unit shall be the sum of all production determined in accordance with each of the applicable acreage classifications shown on the production schedule below. In determining production on acreage where a mixture of barley, oats or wheat planted for harvest as grain is insured, all production shall be counted on a weight basis as the crop used for determining the coverage and premium for such mixture in accordance with item 3 above. Where any small grain is planted in an insured growing small grain crop on acreage not released by the Corporation, all production shall be counted as the insured small grain on a weight basis. In the case of a volunteer crop produced with an insured crop, the production of such volunteer crop shall be included in determining the production of the insured crop. Where vetch is grown with an insured small grain crop all production of vetch shall be counted as production of such grain crop on a weight basis.

The Corporation reserves the right to determine the amount of production on the basis of an appraisal of any unharvested crop standing in the field.

PRODUCTION SCHEDULE FOR EACH INSURED CROP

Acreage classification	Total production ¹
1. Acreage released by the Corporation and planted to a substitute crop.	That portion of the appraised production for such acreage which is in excess of 50 percent of the harvested coverage divided by the predetermined price for the crop. The appraised production or the actual production.
2. Acreage not planted to a substitute crop.	Appraised production for such acreage but not less than the harvested coverage divided by the predetermined price for the crop.
3. Acreage put to another use without the consent of the Corporation.	Appraised amount by which production for such acreage has been reduced but not less than the harvested coverage divided by the predetermined price for the crop, minus the amount of production harvested.
4. Acreage with reduced yield due solely to cause(s) not insured against.	Appraised amount by which production for such acreage has been reduced because of cause(s) not insured against.
5. Acreage with reduced yield due partially to cause(s) not insured against and partially to cause(s) insured against.	

¹ Production shall be in bushels for barley, oats and wheat, and tons (rounded to tenths) for hay.

(b) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year and declare the premium on such units forfeited by the insured, or (2) allocate the commingled production in such manner as it determines appropriate.

8. *Date table.*

Discount date: November 30.

Cancellation date: September 30.

9. *Definitions.* For all purposes under the contract, alfalfa hay and clover hay for harvest within the crop year shall be considered to have been planted as of the beginning of the insurance period for that crop year.

Approved: Beginning with the 1955 crop year.

[SEAL]

FEDERAL CROP INSURANCE CORPORATION.

§ 420.85-4 Deschutes County.

RIDER NO. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Deschutes County, Oreg., Beginning With the 1955 Crop Year)

1. *Insurable crops.* For the purpose of the multiple crop insurance program the insurable crops are:

- (a) Alfalfa hay.
- (b) Barley planted for harvest as grain.
- (c) Oats planted for harvest as grain.
- (d) Potatoes (excluding acreage of less than one acre on an insurance unit) commonly known as Irish potatoes.
- (e) Alsike clover planted for harvest as seed. (Insurance to attach only for the first crop year after such acreage is planted.)
- (f) Wheat planted for harvest as grain.

2. *Coverage per acre.* The coverage per acre for each insured crop shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

3. *Insurance period.* Insurance shall attach at the time of planting to any insured acreage of any insured crop except alfalfa and alsike clover in which case insurance shall attach on December 1 (preceding harvest) provided there is a stand on that date sufficient that farmers in the area generally would leave the crop for harvest the following harvest season. Insurance shall cease with respect to any portion of the alfalfa crop upon baling or stacking, the potato crop upon digging, and all other insured crops upon threshing or with respect to any portion of any crop upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (i) the end of the normal harvest period for such crop or (ii) December 10 of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with

respect to any insurance unit later than the date of submission of a claim for indemnity.

4. *Valuing production.* In determining any loss under the contract, production of each insurable crop shall be evaluated at the predetermined price established by the Corporation for that crop and shown on the county actuarial table. However, any production of barley, oats or potatoes which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be evaluated at a value per unit determined by the Corporation. Wheat which does not grade No. 3 or better and does not grade No. 4 or 5 on the basis of test weight only (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be similarly evaluated.

5. *Released crop.* Notwithstanding any other provision of the policy, any crop on any insured acreage may be released by the Corporation subject to an appraisal by the Corporation of the yield that would be realized if the crop were harvested.

6. *Amount of loss.* (a) The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of each insured crop (exclusive of

any acreage to which insurance did not attach) by the applicable coverage per acre, and the result by the insured interest, and (2) subtracting from the total thereof the insured interest in the value (determined in accordance with section 4 of this rider) of the total production on such acreage of all insured crops. However, if the premium computed for the planted acreage is more than the premium computed for the acreage and interest shown on the acreage report for the insurance unit, the amount of loss so determined shall be reduced on the basis of the ratio of the premium computed for the acreage and interest shown on the acreage report to the premium computed for the planted acreage. The total production for each insured crop on the insurance unit shall be the sum of all production determined in accordance with each of the applicable acreage classifications shown on the production schedule below. Where any small grains are seeded in an insured growing small grain crop on acreage not released by the Corporation, all production shall be counted as the insured small grain on a weight basis. In the case of a volunteer crop produced with an insured crop, the production of such volunteer crop shall be included in determining the production of the insured crop. The Corporation reserves the right to determine the amount of production on the basis of an appraisal of any unharvested crop standing in the field.

PRODUCTION SCHEDULE FOR EACH INSURED CROP

Acreage classification

1. Acreage released by the Corporation and planted to a substitute crop.
2. Acreage not planted to a substitute crop.
3. Acreage put to another use without the consent of the Corporation.
4. Acreage with reduced yield due solely to cause(s) not insured against.
5. Acreage with reduced yield due partially to cause(s) not insured against and partially to cause(s) insured against.

Total production¹

- That portion of the appraised production for such acreage which is in excess of 50 percent of the harvested coverage divided by the predetermined price for the crop.
- The appraised production or the actual production.
- Appraised production for such acreage but not less than the harvested coverage divided by the predetermined price for the crop.
- Appraised amount by which production for such acreage has been reduced but not less than the harvested coverage divided by the predetermined price for the crop, minus the amount of production harvested.
- Appraised amount by which production for such acreage has been reduced because of cause(s) not insured against.

¹ Production shall be in bushels for barley, oats and wheat, hundredweight for potatoes, pounds for alsike clover seed, and in tons (rounded to tenths) for alfalfa.

(b) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year and declare the premium on such units forfeited by the insured, or (2) allocate the commingled production in such manner as it determines appropriate.

7. *Irrigated acreage.* (a) In addition to the provisions of section 4 of the policy, the following provisions shall apply: (1) The acreage of insurable crops which shall be insured in any year shall not exceed that acreage which can be irrigated adequately with the facilities available and with a supply of irrigation water which reasonably could be expected, taking into consideration the amount of water required to irrigate the acreage of all irrigated crops on the farm, and (2) insurance shall not attach with respect to acreage planted to insurable crops (i) the first year after being leveled or (ii) the first year such acreage is irrigated.

(b) In addition to the causes of loss insured against as shown on the first page of the policy, the contract shall cover loss due

to failure of the water supply from natural causes that could not be foreseen and prevented by the insured.

(c) In addition to the causes of loss not insured against as shown in section 8 of the policy, the contract shall not cover loss caused by (1) failure properly to apply irrigation water to an insurable crop in accordance with good farming practices, as determined by the Corporation, and (2) shortage of irrigation water on any farm where the Corporation determines that the total acreage of all irrigated crops on the farm is in excess of that which could be irrigated properly with the facilities available and with the supply of irrigation water which reasonably could be expected.

8. Date table.

Discount date: November 30.

Cancellation date: September 30.

9. *Definitions.* For all purposes under the contract alfalfa and alsike clover for harvest within the crop year shall be considered to have been planted as of the beginning of the insurance period for that crop year.

Approved: Beginning with the 1955 crop year.

[SEAL]

FEDERAL CROP INSURANCE CORPORATION.

\$ 420.86 Pennsylvania.

\$ 420.86-1 Lebanon County.

RIDER No. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Lebanon County, Pa., (Beginning With the 1955 Crop Year)

1. *Insurable crops.* For the purpose of the multiple crop insurance program the insurable crops are:

(a) Barley planted in the fall for harvest as grain. (Insurance to attach the first crop year of the contract only if the application is filed on or before October 31 preceding the calendar year in which the crop for that crop year is normally harvested.)

(b) Corn normally regarded as field corn. The contract will not provide insurance for true type silage corn, corn planted thick for silage or fodder purposes, sweet corn, popcorn, broom corn, corn planted for the development of hybrid seed corn, or any type of corn other than that normally regarded as field corn.

(c) Tobacco, type 41. (Insurance to attach for any crop year only if an election is in effect for that crop year to have premiums and indemnities determined as though each crop insured were the only crop insured under the contract.)

(d) Wheat planted for harvest as grain. (Insurance to attach the first crop year of the contract only if the application is filed on or before October 31 preceding the calendar year in which the crop for that crop year is normally harvested.)

2. *Coverage per acre.* (a) The coverage per acre for each insured crop, except tobacco, shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

(b) The coverage per acre for each insured crop, except tobacco, shall be reduced 10 percent for any acreage not harvested and not planted to a substitute crop.

(c) The coverage per acre for tobacco shall be reduced 5 percent for each full 5 percent that the market price is less than a price designated for this purpose on the county actuarial table.

(d) In addition to any reduction made under (c) of this section, the coverage per acre for tobacco shall be reduced 35 percent for any acreage which is not harvested.

3. *Insurance period.* Insurance shall attach at the time of planting to any insured acreage of any insured crop. Insurance shall cease with respect to (a) any portion of the tobacco crop upon weighing-in at the tobacco warehouse, transfer of interest in the tobacco after harvest, or removal of the tobacco from the insurance unit (except for curing, packing or immediate delivery to the tobacco warehouse), whichever occurs first, and (b) any portion of the corn crop upon harvesting and all other insured crops upon threshing or with respect to any portion of any crop (except tobacco) upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect, unless the time is extended in writing by the Corporation, (a) with respect to tobacco later than March 31 following harvest, (b) with respect to any other crop later than the earlier of (i) the end of the normal harvest period for such crop or (ii) December 10 of the calendar year in which the crop is normally harvested, and (c) with respect to any insurance unit later than the date of submission of a claim for indemnity.

4. *Valuing production.* In determining any loss under the contract, production (actual and appraised) of each insurable crop, except tobacco, shall be evaluated at the predetermined price established by the Corporation for that crop and shown on the county actuarial table. However, any production of barley or corn which will not meet the latest available requirements for

a Commodity Credit Corporation loan or support because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be evaluated at a value per bushel determined by the Corporation. Wheat which does not grade No. 3 or better and does not grade No. 4 or 5 on the basis of test weight only (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be similarly evaluated.

Notwithstanding any other provision(s) of the contract, in determining any loss the value of any harvested production of tobacco shall be the fair market value as determined by the Corporation. To enable the Corporation to determine the fair market value of tobacco harvested, the Corporation shall be given the opportunity to inspect such tobacco before it is sold, contracted to be sold or otherwise disposed of by the insured, and, if the best offer received by the insured for any such tobacco is considered by the Corporation to be inadequate, to obtain additional offers therefor on behalf of the insured. Any appraised production of tobacco shall be evaluated at the market price as defined in section 10 (c) of this rider.

5. *Released crop.* Notwithstanding any other provision of the policy, any crop on any insured acreage may be released by the Corporation subject to an appraisal by the Corporation of the yield that would be realized if the crop were harvested, except that any corn may be used for silage or fodder without a release by the Corporation if the insured leaves a number of rows considered

by the Corporation to be an adequate representative sample for appraising the yield.

6. *Amount of loss.* (a) The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of each insured crop (exclusive of any acreage to which insurance did not attach) by the applicable coverage per acre, and the result by the insured interest, and (2) subtracting from the total thereof the insured interest in the value (determined in accordance with section 4 of this rider) of the total production on such acreage of all insured crops. However, if the premium computed for the planted acreage is more than the premium computed for the acreage and interest shown on the acreage report for the insurance unit, the amount of loss so determined shall be reduced on the basis of the ratio of the premium computed for the acreage and interest shown on the acreage report to the premium computed for the planted acreage. The total production for each insured crop on the insurance unit shall be the sum of all production determined in accordance with each of the applicable acreage classifications shown on the production schedule below. Where any small grains are seeded in an insured growing small grain crop on acreage not released by the Corporation, all production shall be counted as the insured small grain on a weight basis. In the case of a volunteer crop produced with an insured crop, the production of such volunteer crop shall be included in determining the production of the insured crop.

The Corporation reserves the right to determine the amount of production on the basis of an appraisal of any unharvested crop.

PRODUCTION SCHEDULE

Crop	Acreage classification	Total production ¹
1. Each insured crop except tobacco.	Acreage released by the Corporation and planted to a substitute crop.	That portion of the appraised production for such acreage which is in excess of 50 percent of the harvested coverage divided by the predetermined price for the crop.
2. Each insured crop except tobacco.	Acreage not harvested and not planted to a substitute crop.	That portion of the appraised production for such acreage which is in excess of 10 percent of the harvested coverage divided by the predetermined price for the crop.
3. Tobacco.	Acreage not harvested (or harvested if the pounds harvested do not equal or exceed the pounds obtained by dividing 10 percent of the harvested coverage by a price stated on the county actuarial table for the purpose of making this determination).	No production to be counted for any acreage where damage is due solely to insured causes.
4. Each insured crop.	Acreage harvested.	The actual production harvested plus an appraisal of any production left in the field after harvest and an appraisal of corn used for silage or fodder.
5. Each insured crop.	Acreage put to another use without the consent of the Corporation.	Appraised production for such acreage but not less than the harvested coverage divided by the predetermined price (market price in the case of tobacco) for the crop.
6. Each insured crop.	Acreage with reduced yield due solely to cause(s) not insured against.	Appraised amount by which production for such acreage has been reduced but not less than the harvested coverage divided by the predetermined price (market price in the case of tobacco) for the crop, minus the amount of production harvested.
7. Each insured crop.	Acreage with reduced yield due partially to cause(s) not insured against and partially to cause(s) insured against.	Appraised amount by which production for such acreage has been reduced because of cause(s) not insured against.

¹ Production shall be in bushels for barley, corn and wheat; and in pounds for tobacco.

(b) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year and declare the premium on such units forfeited by the insured, or (2) allocate the commingled production in such manner as it determines appropriate.

7. Date table.

Discount date: November 30.

Cancellation date: July 15.

Date by which county minimum participation requirement must be met for any crop year: October 31 following the cancellation date for the crop year.

8. *Insurance unit.* Notwithstanding the provisions of section 13 of the policy, combination of insurance units will not be recognized.

9. *Notice of loss or damage (applicable to tobacco only).* In addition to any other notice of loss or damage required by section 9 of the policy, (a) if after curing the tobacco it appears probable that a loss on any insurance unit under the contract will be sustained, notice in writing shall be given

to the Corporation at the county office to allow the Corporation time to make an inspection before the crop is sold, contracted to be sold, or otherwise disposed of and (b) in any case if, at the completion of selling or otherwise disposing of the insured tobacco on an insurance unit, a loss on such insurance unit under the contract is probable, notice in writing shall be given within 15 days to the Corporation at the county office.

10. *Definitions.* (a) "Harvest" with respect to any acreage of corn means picking from the stalk either by hand or machine or cutting for fodder or silage an amount of corn which is equal in value (determined in accordance with section 4 of this rider) to 10 percent or more of the harvested coverage for such acreage.

(b) "Harvest" with respect to any acreage of tobacco means cutting an amount of tobacco which equals or exceeds the pounds obtained by dividing 10 percent of the harvested coverage for such acreage by a price stated on the county actuarial table for the purpose of making this determination.

(c) "Market price" in the case of tobacco means the average price received or obtainable by farmers in the area as determined by the Corporation. The market price when determined by the Corporation shall be filed in the county office.

Approved: Beginning with the 1955 crop year.

[SEAL]

FEDERAL CROP INSURANCE CORPORATION.

§ 420.86-2 Somerset County.

RIDER NO. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Somerset County, Pa., Beginning With the 1955 Crop Year)

1. *Insurable crops.* For the purpose of the multiple crop insurance program the insurable crops are:

(a) Corn normally regarded as field corn. The contract will not provide insurance for true type silage corn, corn planted thick for silage or fodder purposes, sweet corn, popcorn, broom corn, corn planted for the development of hybrid seed corn, or any type of corn other than that normally regarded as field corn.

(b) Oats planted for harvest as grain.

(c) Potatoes (excluding acreage of less than one acre on an insurance unit) commonly known as Irish potatoes.

(d) Wheat planted for harvest as grain.

2. Coverage per acre.

(a) The coverage per acre for each insured crop shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

(b) The coverage per acre for each insured crop, except potatoes, shall be reduced 10 percent for any acreage not harvested and not planted to a substitute crop.

(c) The coverage per acre for potatoes shall be reduced 25 percent for any acreage not harvested and not planted to a substitute crop.

3. *Insurance period.* Insurance shall attach at the time of planting to any insured acreage of any insured crop. Insurance shall cease with respect to any portion of the corn crop upon harvesting, the potato crop upon digging, and all other insured crops upon threshing or with respect to any portion of any crop upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (i) the end of the normal harvest period for such crop or (ii) December 10 of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

RULES AND REGULATIONS

4. *Valuing production.* In determining any loss under the contract, production of each insurable crop shall be evaluated at the predetermined price established by the Corporation for that crop and shown on the county actuarial table. However, any production of corn or oats which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be evaluated at a value per bushel determined by the Corporation. Wheat which does not grade No. 3 or better and does not grade No. 4 or 5 on the basis of test weight only (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be similarly evaluated.

5. *Released crop.* Notwithstanding any other provision of the policy, any crop on any insured acreage may be released by the Corporation subject to an appraisal by the Corporation of the yield that would be realized if the crop were harvested, except that any corn may be used for silage or fodder without a release by the Corporation if the insured leaves a number of rows considered by the Corporation to be an adequate representative sample for appraising the yield.

6. *Amount of loss.* (a) The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of each insured crop (exclu-

sive of any acreage to which insurance did not attach) by the applicable coverage per acre, and the result by the insured interest, and (2) subtracting from the total thereof the insured interest in the value (determined in accordance with section 4 of this rider) of the total production on such acreage of all insured crops. However, if the premium computed for the planted acreage is more than the premium computed for the acreage and interest shown on the acreage report for the insurance unit, the amount of loss so determined shall be reduced on the basis of the ratio of the premium computed for the acreage and interest shown on the acreage report to the premium computed for the planted acreage. The total production for each insured crop on the insurance unit shall be the sum of all production determined in accordance with each of the applicable acreage classifications shown on the production schedule below. Where any small grains are seeded in an insured growing small grain crop on acreage not released by the Corporation, all production shall be counted as the insured small grain on a weight basis. In the case of a volunteer crop produced with an insured crop, the production of such volunteer crop shall be included in determining the production of the insured crop.

The Corporation reserves the right to determine the amount of production on the basis of an appraisal of any unharvested crop standing in the field.

PRODUCTION SCHEDULE

Crop	Acreage classification	Total production ¹
1. Each insured crop....	Acreage released by the Corporation and planted to a substitute crop.	That portion of the appraised production for such acreage which is in excess of 50 percent of the harvested coverage divided by the predetermined price for the crop.
2. Each insured crop except potatoes.	Acreage not harvested and not planted to a substitute crop.	That portion of the appraised production for such acreage which is in excess of 10 percent of the harvested coverage divided by the predetermined price for the crop.
3. Potatoes.....	Acreage not harvested and not planted to a substitute crop.	That portion of the appraised production for such acreage which is in excess of 25 percent of the harvested coverage divided by the predetermined price.
4. Each insured crop....	Acreage harvested.....	The actual production harvested plus an appraisal of any production left in the field after harvest and an appraisal of corn used for silage or fodder.
5. Each insured crop....	Acreage put to another use without the consent of the Corporation.	Appraised production for such acreage but not less than the harvested coverage divided by the predetermined price for the crop.
6. Each insured crop....	Acreage with reduced yield due solely to cause(s) not insured against.	Appraised amount by which production for such acreage has been reduced but not less than the harvested coverage divided by the predetermined price for the crop, minus the amount of production harvested.
7. Each insured crop....	Acreage with reduced yield due partially to cause(s) not insured against and partially to cause(s) insured against.	Appraised amount by which production for such acreage has been reduced because of cause(s) not insured against.

¹ Production shall be in bushels for corn, oats, and wheat; and in hundredweight for potatoes.

(b) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year and declare the premium on such units forfeited by the insured, or (2) allocate the commingled production in such manner as it determines appropriate.

7. *Date table.*

Discount date: November 30.

Cancellation date: July 15.

8. *Insurance unit.* Notwithstanding the provisions of section 13 of the policy or any election made on the application for insurance, combination of insurance units will not be recognized.

9. *Definitions.* "Harvest" with respect to any acreage of corn means picking from the stalk either by hand or machine or cutting for fodder or silage an amount of corn which is equal in value (determined in accordance with section 4 of this rider) to 10 percent

or more of the harvested coverage for such acreage.

Approved: Beginning with the 1955 crop year.

[SEAL]

FEDERAL CROP INSURANCE CORPORATION.

\$ 420.89 *South Dakota.*

\$ 420.89-1 *Bon Homme County.*

RIDER NO. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Bon Homme County, S. Dak., Beginning With the 1955 Crop Year)

1. *Insurable crops.* For the purpose of the multiple crop insurance program the insurable crops are:

(a) Barley planted for harvest as grain.

(b) Corn normally regarded as field corn. The contract will not provide insurance for true type silage corn, corn planted thick for silage or fodder purposes, sweet corn, popcorn, broom corn, corn planted for the development of hybrid seed corn, or any type

of corn other than that normally regarded as field corn.

(c) Oats planted for harvest as grain.

(d) Winter rye planted for harvest as grain. (Insurance not to attach the first crop year of the contract.)

(e) Spring wheat planted for harvest as grain. (Excluding all durum wheat except red durum.)

2. *Coverage per acre.* (a) The coverage per acre for each insured crop shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

(b) The coverage for any acreage of corn, except acreage released and planted to a substitute crop, shall be reduced 10 percent if the value (at the predetermined price) of the total of all production therefrom (determined in accordance with section 8 of this rider) does not equal or exceed 10 percent of the coverage for such acreage.

3. *Insurance period.* Insurance shall attach at the time of planting to any insured acreage of any insured crop. Insurance shall cease with respect to any portion of the corn crop upon harvesting (picking the corn from the stalk either by hand or machine or cutting the corn for fodder or ensilage), all other insured crops upon threshing, or with respect to any portion of any crop upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (1) the end of the normal harvest period for such crop or (2) December 10 of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

4. *Protection against loss of quality.* In determining any loss under the contract, production of each insurable crop shall be evaluated at the predetermined price established by the Corporation for that crop and shown on the county actuarial table. However, any production of barley, corn, oats, or rye which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be evaluated at a value per bushel, determined by the Corporation. Wheat which does not grade No. 3 or better and does not grade No. 4 or 5 on the basis of test weight only (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be similarly evaluated.

5. *Released crop.* Notwithstanding any other provision of the policy, any crop on any insured acreage may be released by the Corporation subject to an appraisal by the Corporation of the yield that would be realized if the crop were harvested, except that any corn may be used for ensilage or fodder without a release by the Corporation if the insured leaves a number of rows considered by the Corporation to be an adequate representative sample for appraising the yield.

6. *Amount of loss.* (a) The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of each insured crop (exclusive of any acreage to which insurance did not attach) by the applicable coverage per acre, and the result by the insured interest, and (2) subtracting from the total thereof the insured interest in the value (based on the predetermined price) of the total production on such acreage of all insured crops. However, if the premium computed for the planted acreage is more than the premium computed for the acreage and interest shown on the acreage report for the insurance unit, the amount of loss so determined shall be reduced on the basis of the ratio of the premium computed for the acreage and interest

any corn may be used for ensilage or fodder without a release by the Corporation if the insured leaves a number of rows considered by the Corporation to be an adequate representative sample for appraising the yield.

6. *Amount of loss.* (a) The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of each insured crop (exclusive of any acreage to which insurance did not attach) by the applicable coverage per acre, and the result by the insured interest, and (2) subtracting from the total thereof the insured interest in the value (based on the predetermined price) of the total production on such acreage of all insured crops. However, if the premium computed for the planted acreage is more than the premium computed for the acreage and interest shown on the acreage report for the insurance unit, the amount of loss so determined shall be reduced on the basis of the ratio of the premium computed for the acreage and interest shown on the acreage report to the premium computed for the planted acreage. The total production for each insured crop on the insurance unit shall be the sum of all production determined in accordance with each of the applicable acreage classifications shown on the production schedule below. Where any small grains are seeded with an insured growing small grain crop on acreage not released by the Corporation, all production shall be counted as the insured small grain on a weight basis. In the case of a volunteer crop produced with an insured crop, the production of such volunteer crop shall be included in determining the production of the insured crop.

The Corporation reserves the right to determine the amount of production on the basis of an appraisal of any unharvested crop standing in the field.

7. *Date table.* Discount date: November 30. Cancellation date: February 28.

Approved: Beginning with the 1955 crop year.

[SEAL] FEDERAL CROP INSURANCE CORPORATION.

§ 420.89-2 Hutchinson County.

RIDER No. 1 to THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Hutchinson County, S. Dak., Beginning With the 1955 Crop Year)

1. *Insurable crops.* For the purpose of the multiple crop insurance program the insurable crops are:

(a) Barley planted for harvest as grain.

(b) Corn normally regarded as field corn.

crop upon harvesting (picking the corn from the stalk either by hand or machine or cutting the corn for fodder or ensilage), all other insured crops upon threshing, or with respect to any portion of any crop upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (1) the end of the normal harvest period for such crop or (2) December 10 of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

4. *Protection against loss of quality.* In determining any loss under the contract, production of each insurable crop shall be evaluated at the predetermined price established by the Corporation for that crop and shown on the county actuarial table. However, any production of barley, corn, oats, rye, or soybeans which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be evaluated at a value per bushel determined by the Corporation. Wheat which does not grade No. 3 or better and does not grade No. 4 or 5 on the basis of test weight only (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be similarly evaluated.

5. *Released crop.* Notwithstanding any other provision of the policy, any crop on any insured acreage may be released by the Corporation subject to an appraisal by the Corporation of the yield that would be realized if the crop were harvested, except that

1. Acreage released by the Corporation and planted to a substitute crop.

2. Acreage not planted to a substitute crop.

3. Acreage put to another use without the consent of the Corporation.

4. Acreage with reduced yield due solely to cause(s) not insured against.

5. Acreage with reduced yield due partially to cause(s) not insured against and insured against.

Production shall be in bushels for all crops. No production shall be counted for any corn acreage on which the coverage is reduced 10 percent under section 2 (b) of this rider.

PRODUCTION SCHEDULE FOR EACH INSURED CROP

Acreage classification

1. Acreage released by the Corporation and planted to a substitute crop.

2. Acreage not planted to a substitute crop.

3. Acreage put to another use without the consent of the Corporation.

4. Acreage with reduced yield due solely to cause(s) not insured against.

5. Acreage with reduced yield due partially to cause(s) not insured against and insured against.

Production shall be in bushels for all crops. No production shall be counted for any corn acreage on which the coverage is reduced 10 percent under section 2 (b) of this rider.

shown on the acreage report to the premium computed for the planted acreage. The total production for each insured crop on the insurance unit shall be the sum of all production determined in accordance with each of the applicable acreage classifications shown on the production schedule below. Where any small grains are seeded with an insured growing small grain crop on acreage not released by the Corporation, all production

shall be counted as the insured small grain on a weight basis. In the case of a volunteer crop, produced with an insured crop, the production of such volunteer crop shall be included in determining the production of the insured crop.

The Corporation reserves the right to determine the amount of production on the basis of an appraisal of any unharvested crop standing in the field.

7. *Date table.* Discount date: November 30. Cancellation date: February 28.

Approved: Beginning with the 1955 crop year.

[SEAL] FEDERAL CROP INSURANCE CORPORATION.

§ 420.89-2 Hutchinson County.

RIDER No. 1 to THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Hutchinson County, S. Dak., Beginning With the 1955 Crop Year)

1. *Insurable crops.* For the purpose of the multiple crop insurance program the insurable crops are:

(a) Barley planted for harvest as grain.

(b) Corn normally regarded as field corn.

PRODUCTION SCHEDULE FOR EACH INSURED CROP

Acreage classification

1. Acreage released by the Corporation and planted to a substitute crop.

2. Acreage not planted to a substitute crop.

3. Acreage put to another use without the consent of the Corporation.

4. Acreage with reduced yield due solely to cause(s) not insured against.

5. Acreage with reduced yield due partially to cause(s) not insured against and insured against.

Production shall be in bushels for all crops. No production shall be counted for any corn acreage on which the coverage is reduced 10 percent under section 2 (b) of this rider.

(b) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year and declare the premium on such units forfeited by the insured, or (2) allocate the commingled production in such manner as it determines appropriate.

7. Date table.

Discount date: November 30.

Cancellation date: February 28.

Approved: Beginning with the 1955 crop year.

[SEAL]

FEDERAL CROP INSURANCE CORPORATION.

§ 420.89-6 Miner County.

RIDER No. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Miner County, S. Dak., Beginning With the 1955 Crop Year)

1. *Insurable crops.* For the purpose of the multiple crop insurance program the insurable crops are:

- (a) Barley planted for harvest as grain.
- (b) Corn normally regarded as field corn. The contract will not provide insurance for true type silage corn, corn planted thick for silage or fodder purposes, sweet corn, popcorn, broom corn, corn planted for the development of hybrid seed corn, or any type of corn other than that normally regarded as field corn.
- (c) Flax planted for harvest as seed.
- (d) Oats planted for harvest as grain.
- (e) Winter rye planted for harvest as grain. (Insurance not to attach the first crop year of the contract.)
- (f) Spring wheat planted for harvest as grain. (Excluding all durum wheat except red durum.)

2. Coverage per acre.

- (a) The coverage per acre for each insured crop shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.
- (b) The coverage for any acreage of corn, except acreage released and planted to a substitute crop, shall be reduced 10 percent if the value (at the predetermined price) of the total of all production therefrom (determined in accordance with section 6 of this rider) does not equal or exceed 10 percent of the coverage for such acreage.

3. *Insurance period.* Insurance shall attach at the time of planting to any insured acreage of any insured crop. Insurance shall cease with respect to any portion of the corn crop upon harvesting (picking the corn from the stalk either by hand or machine or cutting the corn for fodder or ensilage), all other insured crops upon threshing, or with respect to any portion of any crop upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (i) the end of the normal harvest period for such crop or (ii) December 10, of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

4. *Protection against loss of quality.* In determining any loss under the contract, production of each insurable crop shall be evaluated at the predetermined price established by the Corporation for that crop and shown on the county actuarial table. However, any production of barley, corn, flax, oats or rye which will not meet the latest available requirements for a Commodity Credit Cor-

poration loan or support because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be evaluated at a value per bushel determined by the Corporation. Wheat which does not grade No. 3 or better and does not grade No. 4 or 5 on the basis of test weight only (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be similarly evaluated.

5. *Released crop.* Notwithstanding any other provision of the policy, any crop on any insured acreage may be released by the Corporation subject to an appraisal by the Corporation of the yield that would be realized if the crop were harvested, except that any corn may be used for ensilage or fodder without a release by the Corporation if the insured leaves a number of rows considered by the Corporation to be an adequate representative sample for appraising the yield.

6. *Amount of loss.* (a) The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of each insured crop (exclusive of any acreage to which insurance did not attach) by the applicable coverage per acre, and the result by the insured in-

terest, and (2) subtracting from the total thereof the insured interest in the value (based on the predetermined price) of the total production on such acreage of all insured crops. However, if the premium computed for the planted acreage is more than the premium computed for the acreage and interest shown on the acreage report for the insurance unit, the amount of loss so determined shall be reduced on the basis of the ratio of the premium computed for the acreage and interest shown on the acreage report to the premium computed for the planted acreage. The total production for each insured crop on the insurance unit shall be the sum of all production determined in accordance with each of the applicable acreage classification shown on the production schedule below. Where any small grains are seeded with an insured growing small grain crop on acreage not released by the Corporation, all production shall be counted as the insured small grain on a weight basis. In the case of a volunteer crop produced with an insured crop, the production of such volunteer crop shall be included in determining the production of the insured crop.

The Corporation reserves the right to determine the amount of production on the basis of an appraisal of any unharvested crop standing in the field.

PRODUCTION SCHEDULE FOR EACH INSURED CROP

Acreage classification	Total production ¹
1. Acreage released by the Corporation and planted to a substitute crop.	That portion of the appraised production for such acreage which is in excess of 50 percent of the harvested coverage divided by the predetermined price for the crop.
2. Acreage not planted to a substitute crop.	The appraised production or the actual production, including an appraisal of corn left in the field after harvest and an appraisal of corn used for ensilage or fodder.
3. Acreage put to another use without the consent of the Corporation.	Appraised production for such acreage but not less than the harvested coverage divided by the predetermined price for the crop.
4. Acreage with reduced yield due solely to cause(s) not insured against.	Appraised number of bushels by which production for such acreage has been reduced but not less than the harvested coverage divided by the predetermined price for the crop, minus the number of bushels harvested.
5. Acreage with reduced yield due partially to cause(s) not insured against and partially to cause(s) insured against.	Appraised number of bushels by which production for such acreage has been reduced because of cause(s) not insured against.

¹ Production shall be in bushels for all crops. No production shall be counted for any corn acreage on which the coverage is reduced 10 percent under section 2 (b) of this rider.

(b) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year and declare the premium on such units forfeited by the insured, or (2) allocate the commingled production in such manner as it determines appropriate.

7. Date table.

Discount date: November 30.

Cancellation date: February 28.

Approved: Beginning with the 1955 crop year.

[SEAL]

FEDERAL CROP INSURANCE CORPORATION.

§ 420.89-7 Day County.

RIDER No. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Day County, S. Dak., Beginning With the 1955 Crop Year)

1. *Insurable crops.* For the purpose of the multiple crop insurance program the insurable crops are:

- (a) Barley planted for harvest as grain.
- (b) Corn normally regarded as field corn. The contract will not provide insurance for true type silage corn, corn planted thick for silage or fodder purposes, sweet corn, popcorn, broom corn, corn planted for the development of hybrid seed corn, or any type of corn other than that normally regarded as field corn.
- (c) Flax planted for harvest as seed.
- (d) Oats planted for harvest as grain.
- (e) Winter rye planted for harvest as grain. (Insurance not to attach the first crop year of the contract.)
- (f) Spring wheat planted for harvest as grain. (Excluding all durum wheat except red durum.)

2. *Coverage per acre.* (a) The coverage per acre for each insured crop shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

(b) The coverage for any acreage of corn, except acreage released and planted to a substitute crop, shall be reduced 10 percent if the value (at the predetermined price) of the total of all production therefrom (determined in accordance with section 6 of this rider) does not equal or exceed 10 percent of the coverage for such acreage.

3. *Insurance period.* Insurance shall attach at the time of planting to any insured acreage of any insured crop. Insurance shall cease with respect to any portion of the corn crop upon harvesting (picking the corn from the stalk either by hand or machine or cutting the corn for fodder or ensilage), all other insured crops upon threshing, or with respect to any portion of any crop upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (i) the end of the normal harvest period for such crop or (ii) December 10, of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

4. *Protection against loss of quality.* In determining any loss under the contract, production of each insurable crop shall be evaluated at the predetermined price established by the Corporation for that crop and shown on the county actuarial table. However, any production of barley, corn, flax, oats or rye which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be evaluated at a value per bushel determined by the Corporation. Wheat which does not grade No. 3 or better and does not grade No. 4 or 5 on the basis of test weight only (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be similarly evaluated.

5. *Released crop.* Notwithstanding any other provision of the policy, any crop on any insured acreage may be released by the Corporation subject to an appraisal by the Corporation of the yield that would be realized if the crop were harvested, except that any corn may be used for ensilage or fodder without a release by the Corporation if the insured leaves a number of rows considered by the Corporation to be an adequate representative sample for appraising the yield.

6. *Amount of loss.* (a) The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of each insured crop (exclusive of any acreage to which insurance did not attach) by the applicable coverage per acre, and the result by the insured interest, and (2) subtracting from the total thereof the insured interest in the value (based on the predetermined price) of the total production on such acreage of all insured crops. However, if the premium computed for the planted acreage is more than the premium computed for the acreage and interest shown on the acreage report for the insurance unit, the amount of loss so determined shall be reduced on the basis of the ratio of the premium computed for the acreage and interest shown on the acreage report to the premium computed for the planted acreage. The total production for each insured crop on the insurance unit shall be the sum of all production determined in accordance with each of the applicable acreage classification shown on the production schedule below. Where any small grains are seeded with an insured growing small grain crop on acreage not released by the Corporation, all production shall be counted as the insured small grain on a weight basis. In the case of a volunteer crop produced with an insured crop, the production of such volunteer crop shall be included in determining the production of the insured crop.

The Corporation reserves the right to determine the amount of production on the basis of an appraisal of any unharvested crop standing in the field.

PRODUCTION SCHEDULE FOR EACH INSURED CROP

Acreage classification

1. Acreage released by the Corporation and planted to a substitute crop.
2. Acreage not planted to a substitute crop.
3. Acreage put to another use without the consent of the Corporation.
4. Acreage with reduced yield due solely to cause(s) not insured against.
5. Acreage with reduced yield due partially to cause(s) not insured against and partially to cause(s) insured against.

Total production¹

That portion of the appraised production for such acreage which is in excess of 50 percent of the harvested coverage divided by the predetermined price for the crop. The appraised production or the actual production, including an appraisal of corn left in the field after harvest and an appraisal of corn used for ensilage or fodder. Appraised production for such acreage but not less than the harvested coverage divided by the predetermined price for the crop. Appraised number of bushels by which production for such acreage has been reduced but not less than the harvested coverage divided by the predetermined price for the crop, minus the number of bushels harvested. Appraised number of bushels by which production for such acreage has been reduced because of cause(s) not insured against.

¹ Production shall be in bushels for all crops. No production shall be counted for any corn acreage on which the coverage is reduced 10 percent under section 2 (b) of this rider.

(b) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year and declare the premium on such units forfeited by the insured, or (2) allocate the commingled production in such manner as it determines appropriate.

7. *Date table.*

Discount date: November 30.
Cancellation date: February 28.

Approved: Beginning with the 1955 crop year.

[SEAL]

FEDERAL CROP INSURANCE CORPORATION.

\$ 420.89-10 Kingsbury County.

RIDER NO. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Kingsbury County, S. Dak., Beginning With the 1955 Crop Year)

1. *Insurable crops.* For the purpose of the multiple crop insurance program the insurable crops are:

- (a) Barley planted for harvest as grain.
- (b) Corn normally regarded as field corn. The contract will not provide insurance for true type silage corn, corn planted thick for silage or fodder purposes, sweet corn, popcorn, broom corn, corn planted for the development of hybrid seed corn, or any type of corn other than that normally regarded as field corn.
- (c) Flax planted for harvest as seed.
- (d) Oats planted for harvest as grain.
- (e) Spring wheat planted for harvest as grain. (Excluding all durum wheat except red durum.)

2. *Coverage per acre.* (a) The coverage per acre for each insured crop shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

(b) The coverage per acre for each insured crop shall be reduced 10 percent for any acreage not harvested and not planted to a substitute crop.

3. *Insurance period.* Insurance shall attach at the time of planting to any insured acreage of any insured crop. Insurance shall cease with respect to any portion of the corn crop upon harvesting, all other insured crops upon threshing or with respect to any portion of any crop upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect, (a) with respect to any crop later

than the earlier of (i) the end of the normal harvest period for such crop or (ii) December 10 of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

4. *Valuing production.* In determining any loss under the contract, production of each insurable crop shall be evaluated at the predetermined price established by the Corporation for that crop and shown on the county actuarial table. However, any production of barley, corn, oats or flax which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be evaluated at a value per unit determined by the Corporation. Wheat which does not grade No. 3 or better and does not grade No. 4 or 5 on the basis of test weight only (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be similarly evaluated.

5. *Released crop.* Notwithstanding any other provision of the policy, any crop on any insured acreage may be released by the Corporation subject to an appraisal by the Corporation of the yield that would be realized if the crop were harvested, except that any corn may be used for ensilage or fodder without a release by the Corporation if the insured leaves a number of rows considered by the Corporation to be an adequate representative sample for appraising the yield.

6. *Amount of loss.* (a) The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of each insured crop (exclusive of any acreage to which insurance did not attach) by the applicable coverage per acre, and the result by the insured interest, and (2) subtracting from the total thereof the insured interest in the value (determined in accordance with section 4 of this rider) of the total production on such acreage of all insured crops. However, if the premium computed for the planted acreage is more than the premium computed for the acreage and interest shown on the acreage report for the insurance unit, the amount of loss so determined shall be reduced on the basis of the ratio of the premium computed for the acreage and interest shown on the acreage report to the premium computed for the planted acreage. The total production for each insured crop on the insurance unit shall

be the sum of all production determined in accordance with each of the applicable acreage classifications shown on the production schedule below. Where any small grains are seeded with an insured growing small grain crop on acreage not released by the Corporation, all production shall be counted as the insured small grain on a weight basis.

In the case of a volunteer crop produced with an insured crop, the production of such volunteer crop shall be included in determining the production of the insured crop.

The Corporation reserves the right to determine the amount of production on the basis of an appraisal of any unharvested crop standing in the field.

PRODUCTION SCHEDULE FOR EACH INSURED CROP

Acreage classification	Total production ¹
1. Acreage released by the Corporation and planted to a substitute crop.	That portion of the appraised production for such acreage which is in excess of 50 percent of the harvested coverage divided by the predetermined price for the crop.
2. Acreage not harvested and not planted to a substitute crop.	That portion of the appraised production for such acreage which is in excess of 10 percent of the harvested coverage divided by the predetermined price for the crop.
3. Acreage harvested-----	The actual production harvested plus an appraisal of any production left in the field after harvest and an appraisal of corn used for ensilage or fodder.
4. Acreage put to another use without the consent of the Corporation.	Appraised production for such acreage but not less than the harvested coverage divided by the predetermined price for the crop.
5. Acreage with reduced yield due solely to cause(s) not insured against.	Appraised number of bushels by which production for such acreage has been reduced but not less than the harvested coverage divided by the predetermined price for the crop, minus the number of bushels harvested.
6. Acreage with reduced yield due partially to cause(s) not insured against and partially to cause(s) insured against.	Appraised number of bushels by which production for such acreage has been reduced because of cause(s) not insured against.

¹ Production shall be in bushels for all crops.

(b) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year and declare the premium on such units forfeited by the insured, or (2) allocate the commingled production in such manner as it determines appropriate.

7. Date table.

Discount date: November 30.

Cancellation date: February 28.

8. Insurance unit. Notwithstanding the provisions of section 13 of the policy or any election made on the application for insurance, combination of insurance units will not be recognized.

9. Definitions. "Harvest" with respect to any acreage of corn means picking from the stalk either by hand or machine or cutting for fodder or ensilage an amount of corn which is equal in value (determined in accordance with section 4 of this rider) to 10 percent or more of the harvested coverage for such acreage.

Approved: Beginning with the 1955 crop year.

[SEAL]

FEDERAL CROP INSURANCE CORPORATION.

§ 420.89-13 *Deuel, Hamlin, Hanson, Lake, McCook Counties.*

RIDER NO. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Deuel, Hamlin, Hanson, Lake, and McCook Counties, S. Dak., Beginning With the 1955 Crop Year)

1. Insurable crops. For the purpose of the multiple crop insurance program the insurable crops are:

(a) Barley planted for harvest as grain.

(b) Corn normally regarded as field corn. The contract will not provide insurance for true type silage corn, corn planted thick for silage or fodder purposes, sweet corn, popcorn, broom corn, corn planted for the development of hybrid seed corn, or any type of corn other than that normally regarded as field corn.

(c) Flax planted for harvest as seed.

(d) Oats planted for harvest as grain.

(e) Winter rye planted for harvest as grain. (Insurance not to attach the first crop year of the contract.)

(f) Soybeans planted for harvest as beans.

(g) Spring wheat planted for harvest as grain. (Excluding all durum wheat except red durum.)

2. Coverage per acre. (a) The coverage per acre for each insured crop shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

(b) The coverage for any acreage of corn, except acreage released and planted to a substitute crop, shall be reduced 10 percent if the value (at the predetermined price) of the total of all production therefrom (determined in accordance with section 6 of this rider) does not equal or exceed 10 percent of the coverage for such acreage.

3. Insurance period. Insurance shall attach at the time of planting to any insured acreage of any insured crop. Insurance shall cease with respect to any portion of the corn crop upon harvesting (picking the corn from the stalk either by hand or machine or cutting the corn for fodder or ensilage), all other insured crops upon threshing, or with respect to any portion of any crop upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the

earlier of (1) the end of the normal harvest period for such crop or (2) December 10, of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

4. Protection against loss of quality. In determining any loss under the contract, production of each insurable crop shall be evaluated at the predetermined price established by the Corporation for that crop and shown on the county actuarial table. However, any production of barley, corn, flax, oats, rye, or soybeans which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be evaluated at a value per bushel determined by the Corporation. Wheat which does not grade No. 3 or better and does not grade No. 4 or 5 on the basis of test weight only (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be similarly evaluated.

5. Released crop. Notwithstanding any other provision of the policy, any crop on any insured acreage may be released by the Corporation subject to an appraisal by the Corporation of the yield that would be realized if the crop were harvested, except that any corn may be used for ensilage or fodder without a release by the Corporation if the insured leaves a number of rows considered by the Corporation to be an adequate representative sample for appraising the yield.

6. Amount of loss. (a) The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of each insured crop (exclusive of any acreage to which insurance did not attach) by the applicable coverage per acre, and the result by the insured interest and (2) subtracting from the total thereof the insured interest in the value (based on the predetermined price) of the total production on such acreage of all insured crops. However, if the premium computed for the planted acreage is more than the premium computed for the acreage and interest shown on the acreage report for the insurance unit, the amount of loss so determined shall be reduced on the basis of the ratio of the premium computed for the acreage and interest shown on the acreage report to the premium computed for the planted acreage. The total production for each insured crop on the insurance unit shall be the sum of all production determined in accordance with each of the applicable acreage classifications shown on the production schedule below. Where any small grains are seeded with an insured growing small grain crop on acreage not released by the Corporation, all production shall be counted as the insured small grain on a weight basis. In the case of a volunteer crop produced with an insured crop, the production of such volunteer crop shall be included in determining the production of the insured crop.

The Corporation reserves the right to determine the amount of production on the basis of an appraisal of any unharvested crop standing in the field.

PRODUCTION SCHEDULE FOR EACH INSURED CROP

Acreage classification

1. Acreage released by the Corporation and planted to a substitute crop.
2. Acreage not planted to a substitute crop.
3. Acreage put to another use without the consent of the Corporation.
4. Acreage with reduced yield due solely to cause(s) not insured against.
5. Acreage with reduced yield due partially to cause(s) not insured against and partially to cause(s) insured against.

Total production¹

That portion of the appraised production for such acreage which is in excess of 50 percent of the harvested coverage divided by the predetermined price for the crop. The appraised production or the actual production, including an appraisal of corn left in the field after harvest and an appraisal of corn used for ensilage or fodder. Appraised production for such acreage but not less than the harvested coverage divided by the predetermined price for the crop. Appraised number of bushels by which production for such acreage has been reduced but not less than the harvested coverage divided by the predetermined price for the crop, minus the number of bushels harvested. Appraised number of bushels by which production for such acreage has been reduced because of cause(s) not insured against.

¹ Production shall be in bushels for all crops. No production shall be counted for any corn acreage on which the coverage is reduced 10 percent under section 2 (b) of this rider.

(b) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year and declare the premium on such units forfeited by the insured, or (2) allocate the commingled production in such manner as it determines appropriate.

7. Date table.

Discount date: November 30.

Cancellation date: February 28.

Approved: Beginning with the 1955 crop year.

[SEAL]

FEDERAL CROP INSURANCE CORPORATION.

\$ 420.90 Tennessee.

\$ 420.90-3 Franklin County.

RIDER NO. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Franklin County, Tenn., Beginning With the 1955 Crop Year)

1. **Insurable crops.** For the purpose of the multiple crop insurance program the insurable crops are:

(a) Alfalfa hay. (Insurance to attach the first crop year of the contract only if the application is filed on or before September 30 preceding the calendar year in which the crop for that crop year is normally harvested.)

(b) Corn normally regarded as field corn, including corn with which soybeans are interplanted. The contract will not provide insurance for true type silage corn, corn planted thick for silage or fodder purposes, sweet corn, popcorn, broom corn, corn planted for the development of hybrid seed corn, or any type of corn other than that normally regarded as field corn.

(c) Cotton, restricted to American upland cotton and not including cotton planted primarily for experimental purposes.

(d) Crimson clover planted for harvest as seed. (Insurance to attach the first crop year of the contract only if the application is filed on or before September 30 preceding the calendar year in which the crop for that crop year is normally harvested.)

(e) Potatoes (excluding acreage of less than one acre on an insurance unit) commonly known as Irish potatoes.

(f) Tobacco, type 31.

(g) Wheat planted for harvest as grain. (Insurance to attach the first crop year of the contract only if the application is filed on or before September 30 preceding the calendar year in which the crop for that crop year is normally harvested.)

2. **Coverage per acre.** (a) The coverage per acre for each insured crop, except cotton, shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

(b) The coverage for any acreage of corn, except acreage released and planted to a substitute crop, shall be reduced 10 percent if the value of the total of all production therefrom (determined in accordance with sections 4 and 6 of this rider) does not equal or exceed 10 percent of the coverage for such acreage.

(c) The coverage per acre for cotton shall be reduced as follows: (1) 60 percent for any acreage which is released by the Corporation because of damage occurring prior to laying by the crop, and (2) 25 percent for any acreage on which the crop is laid by and not harvested.

3. **Insurance period.** Insurance shall attach at the time of planting to any insured acreage of any insured crop except alfalfa in which case insurance shall attach on November 1 (preceding harvest) provided there is a stand on that date sufficient that farmers in the area generally would leave the crop for harvest the following harvest season. Insurance shall cease with respect to (a) any portion of the tobacco crop upon weighing-in at the tobacco warehouse, transfer of interest in the tobacco after harvest, or removal of the tobacco from the insurance unit (except for curing, packing or immediate delivery to the tobacco warehouse) and (b) any portion of the corn crop upon harvesting (picking the corn from the stalk either by hand or machine or cutting the corn for fodder or silage), the cotton crop upon picking, the hay crop upon baling or stacking, the potato crop upon digging and all other crops upon threshing or with respect to any portion of any crop (except tobacco) upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to tobacco later than February 28 following

harvest unless such time is extended in writing by the Corporation, (b) with respect to any other crop later than the earlier of (1) the end of the normal harvest period for such crop or (2) December 31 of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (c) with respect to any insurance unit later than the date of submission of a claim for indemnity.

4. **Valuing production.** In determining any loss under the contract, production of each insurable crop shall be evaluated at the predetermined price established by the Corporation for that crop and shown on the county actuarial table. However, any production of corn or potatoes which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be evaluated at a value per unit determined by the Corporation. Wheat which does not grade No. 3 or better and does not grade No. 4 or 5 on the basis of test weight only (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be similarly evaluated.

5. **Released crop.** Notwithstanding any other provision of the policy, any crop on any insured acreage may be released by the Corporation subject to an appraisal by the Corporation of the yield that would be realized if the crop were harvested, except that any corn may be used for silage or fodder without a release by the Corporation if the insured leaves a number of rows considered by the Corporation to be an adequate representative sample for appraising the yield.

6. **Amount of loss.** (a) The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of each insured crop (exclusive of any acreage to which insurance did not attach) by the applicable coverage per acre, and the result by the insured interest, and (2) subtracting from the total thereof the insured interest in the value (determined in accordance with section 4 of this rider) of the total production on such acreage of all insured crops. However, if the premium computed for the planted acreage is more than the premium computed for the acreage and interest shown on the acreage report for the insurance unit, the amount of loss so determined shall be reduced on the basis of the ratio of the premium computed for the acreage and interest shown on the acreage report to the premium computed for the planted acreage. The total production for each insured crop on the insurance unit shall be the sum of all production determined in accordance with each of the applicable acreage classifications shown on the production schedule below. Where any small grains are seeded in an insured growing small grain crop on acreage not released by the Corporation, all production shall be counted as the insured small grain on a weight basis. In the case of a volunteer crop produced with an insured crop, the production of such volunteer crop shall be included in determining the production of the insured crop. Any production of soybeans interplanted in the same row with corn shall not be counted as production.

The Corporation reserves the right to determine the amount of production on the basis of an appraisal of any unharvested crop standing in the field.

RULES AND REGULATIONS

PRODUCTION SCHEDULE

Crop	Acreage classification	Total production ¹
1. Each insured crop except cotton.	Acreage released by the Corporation and planted to a substitute crop.	That portion of the appraised production for such acreage which is in excess of 50 percent of the harvested coverage divided by the predetermined price for the crop.
2. Each insured crop except cotton.	Acreage not planted to a substitute crop.	The appraised production or the actual production, including an appraisal of corn left in the field after harvest and an appraisal of corn used for silage or fodder.
3. Cotton-----	Acreage released by the Corporation because of damage occurring prior to laying by the crop.	That portion of the appraised production for such acreage which is in excess of 60 percent of the harvested coverage divided by the predetermined price.
4. Cotton-----	Acreage on which the crop is laid by and not harvested.	That portion of the appraised production for such acreage which is in excess of 25 percent of the harvested coverage divided by the predetermined price.
5. Cotton-----	Acreage harvested-----	Production, including an appraisal of production left in the field after harvest.
6. Each insured crop--	Acreage put to another use without the consent of the Corporation.	Appraised production for such acreage but not less than the harvested coverage divided by the predetermined price for the crop.
7. Each insured crop--	Acreage with reduced yield due solely to cause(s) not insured against.	Appraised amount by which production for such acreage has been reduced but not less than the harvested coverage divided by the predetermined price for the crop, minus the amount of production harvested.
8. Each insured crop--	Acreage with reduced yield due partially to cause(s) not insured against and partially to cause(s) insured against.	Appraised amount by which production for such acreage has been reduced because of cause(s) not insured against.

¹ Production shall be in bushels for corn and wheat, in pounds for cotton, crimson clover seed, potatoes, and tobacco and in tons (rounded to tenths) for hay. No production shall be counted for any corn acreage on which the coverage is reduced 10 percent under section 2(b) of this rider.

Notwithstanding the other provisions of this paragraph (a) regarding the determination of the total production of cotton, in any case where the quality of any cotton production is reduced solely by insured causes to the extent that the value per pound, as determined by the Corporation, is less than 75 percent of the predetermined price, the number of pounds of such poor quality cotton shall be adjusted downward to the number of pounds obtained by dividing the total value of such cotton, as determined by the Corporation, by 75 percent of the determined price.

(b) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year and declare the premium on such units forfeited by the insured, or (2) allocate the commingled production in such manner as it determines appropriate.

7. Date table.

Discount date: November 30.

Cancellation date: July 31.

Date by which county minimum participation requirement must be met for any crop year: September 30 following the cancellation date for the crop year.

8. Definitions. (a) For all purposes under the contract alfalfa hay for harvest within the crop year shall be considered to have been planted as of the beginning of the insurance period for that crop year.

(b) "Harvest" with respect to any acreage of cotton means the removal (by manual or mechanical means) of an amount of cotton from the stalk which is equal in value (based on the predetermined price) to 10 percent or more of the coverage for such acreage.

Approved: Beginning with the 1955 crop year.

[SEAL]

FEDERAL CROP INSURANCE CORPORATION.

§ 420.90-6 Weakley County.

RIDER NO. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Weakley County, Tenn., Beginning With the 1955 Crop Year)

1. Insurable crops. For the purpose of the multiple crop insurance program the insurable crops are:

(a) Corn normally regarded as field corn, including corn with which soybeans are interplanted. The contract will not provide insurance for true type silage corn, corn planted thick for silage or fodder purposes, sweet corn, popcorn, broom corn, corn planted for the development of hybrid seed corn, or any type of corn other than that normally regarded as field corn.

(b) Cotton, restricted to American upland cotton and not including cotton planted primarily for experimental purposes.

(c) Soybeans planted for harvest as beans in rows 24 inches or more apart, excluding soybeans interplanted in the same row with corn.

(d) Sweetpotatoes, excluding acreage of less than one acre on an insurance unit.

(e) Tobacco, Types 23 and 35.

2. Coverage per acre. (a) The coverage per acre for each insured crop except cotton, shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

(b) The coverage for any acreage of corn, except acreage released and planted to a substitute crop, shall be reduced 10 percent if the value (at the predetermined price) of the total of all production therefrom (determined in accordance with section 6 of this rider) does not equal or exceed 10 percent of the coverage for such acreage.

(c) The coverage per acre for cotton shall be reduced as follows: (1) 60 percent for any acreage which is released by the Corporation because of damage occurring prior to laying by the crop, and (2) 25 percent for any acreage on which the crop is laid by and not harvested.

3. Insurance period. Insurance shall attach at the time of planting to any insured acreage of any insured crop. Insurance shall cease with respect to (a) any portion

of the tobacco crop upon weighing-in at the tobacco warehouse, transfer of interest in the tobacco after harvest, removal of the tobacco from the insurance unit (except for curing packing or immediate delivery to the tobacco warehouse) and (b) any portion of the corn crop upon harvesting (picking the corn from the stalk either by hand or machine or cutting the corn for fodder or ensilage), the cotton crop upon picking, the sweet potato crop upon digging, the soybean crop upon threshing, or with respect to any portion of any crop (except tobacco) upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to tobacco later than March 31 following harvest unless such time is extended in writing by the Corporation, (b) with respect to any other crop later than the earlier of (i) the end of the normal harvest period for such crop or (ii) December 31 of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (c) with respect to any insurance unit later than the date of submission of a claim for indemnity.

4. Protection against loss of quality. In determining any loss under the contract, production of each insurable crop shall be evaluated at the predetermined price established by the Corporation for that crop and shown on the county actuarial table. However, any production of corn, or soybeans which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be evaluated at a value per unit determined by the Corporation.

5. Released crop. Notwithstanding any other provision of the policy, any crop on any insured acreage may be released by the Corporation subject to an appraisal by the Corporation of the yield that would be realized if the crop were harvested, except that any corn may be used for ensilage or fodder without a release by the Corporation if the insured leaves a number of rows considered by the Corporation to be an adequate representative sample for appraising the yield.

6. Amount of loss. (a) The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of each insured crop (exclusive of any acreage to which insurance did not attach) by the applicable coverage per acre, and the result by the insured interest, and (2) subtracting from the total thereof the insured interest in the value (based on the predetermined price) of the total production on such acreage of all insured crops. However, if the premium computed for the planted acreage is more than the premium computed for the acreage and interest shown on the acreage report for the insurance unit, the amount of loss so determined shall be reduced on the basis of the ratio of the premium computed for the acreage and interest shown on the acreage report to the premium computed for the planted acreage. The total production for each insured crop on the insurance unit shall be the sum of all production determined in accordance with each of the applicable acreage classifications shown on the production schedule below. Any production of soybeans interplanted in the same row with corn shall not be counted as production.

The Corporation reserves the right to determine the amount of production on the basis of an appraisal of any unharvested crop standing in the field.

PRODUCTION SCHEDULE

Crop	Acreage classification	Total production ¹
1. Each insured crop except cotton.	Acreage released by the Corporation and planted to a substitute crop.	That portion of the appraised production for such acreage which is in excess of 50 percent of the harvested coverage divided by the predetermined price for the crop.
2. Each insured crop except cotton.	Acreage not planted to a substitute crop.	The appraised production or the actual production, including an appraisal of corn left in the field after harvest and an appraisal of corn used for ensilage or fodder.
3. Cotton.....	Acreage released by the Corporation because of damage occurring prior to haying by the crop.	That portion of the appraised production for such acreage which is in excess of 60 percent of the harvested coverage divided by the predetermined price.
.. Cotton.....	Acreage on which the crop is laid by and not harvested.	That portion of the appraised production for such acreage which is in excess of 25 percent of the harvested coverage divided by the predetermined price.
5. Cotton.....	Acreage harvested.....	Production, including an appraisal of production left in the field after harvest.
6. Each insured crop...	Acreage put to another use without the consent of the Corporation.	Appraised production for such acreage but not less than the harvested coverage divided by the predetermined price for the crop.
7. Each insured crop...	Acreage with reduced yield due solely to cause(s) not insured against.	Appraised amount by which production for such acreage has been reduced but not less than the harvested coverage divided by the predetermined price for the crop, minus the amount of production harvested.
8. Each insured crop...	Acreage with reduced yield due partially to cause(s) not insured against and partially to cause(s) insured against.	Appraised amount by which production for such acreage has been reduced because of cause(s) not insured against.

¹ Production shall be in bushels for corn, sweetpotatoes, and soybeans and in pounds for cotton, and tobacco. No production shall be counted for any corn acreage on which the coverage is reduced 10 percent under section 2 (b) of this rider.

Notwithstanding the other provisions of this paragraph (a) regarding the determination of the total production of cotton, in any case where the quality of any cotton production is reduced solely by insured causes to the extent that the value per pound, as determined by the Corporation, is less than 75 percent of the predetermined price, the number of pounds of such poor quality cotton shall be adjusted downward to the number of pounds obtained by dividing the total value of such cotton, as determined by the Corporation, by 75 percent of the predetermined price.

(b) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year and declare the premium on such units forfeited by the insured, or (2) allocate the commingled production in such manner as it determines appropriate.

7. Date table.

Discount date: November 30.

Cancellation date: February 28.

8. Definitions. (a) "Harvest" with respect to any acreage of cotton means the removal (by manual or mechanical means) of an amount of cotton from the stalk which is equal in value (based on the predetermined price) to 10 percent or more of the coverage for such acreage.

Approved: Beginning with the 1955 crop year.

[SEAL]

FEDERAL CROP INSURANCE CORPORATION.

\$ 420.91 Texas.

\$ 420.91-2 Runnels County.

RIDER NO. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Runnels County, Tex., Beginning With the 1955 Crop Year)

1. Insurable crops. For the purpose of the multiple crop insurance program the insurable crops are:

(a) Cotton, restricted to American upland cotton and not including cotton planted primarily for experimental purposes.

(b) Grain sorghum planted for harvest as grain.

(c) Oats (fall and winter only) planted for harvest as grain.

(d) Winter wheat planted for harvest as grain.

2. Coverage per acre. (a) The coverage per acre for each insured crop, except cotton and grain sorghum, shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

(b) The coverage per acre for cotton and grain sorghum shall be reduced as follows: (1) 60 percent for any acreage which is released by the Corporation because of damage occurring prior to laying by the crop, and (2) 25 percent for any acreage on which the crop is laid by and not harvested.

3. Insured acreage. (a) In addition to the provisions of Section 4 of the policy, for any crop year, insurance also shall not attach with respect to:

(1) Any acreage of cotton or grain sorghum planted following in the same crop year a small grain crop which reaches the heading stage.

(2) Any acreage of grain sorghum planted in rows less than 30 inches in width.

(b) For the purpose of determining the acreage insured under the contract, any acreage of cotton or grain sorghum planted in strips alternating with strips of idle land shall be considered on the following basis:

(1) Two rows planted to the crop one row idle shall be considered as 100 percent of the crop in question.

(2) All other patterns of planting shall be considered as acreage of the crop in question in proportion to the percentage of the acreage actually occupied by the crop.

4. Insurance period. Insurance shall attach at the time of planting to any insured acreage of any insured crop. Insurance shall cease with respect to any portion of the cotton crop upon picking and all other insured crops upon threshing or with respect to any portion of any insured crop upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later

than the earlier of (1) the end of the normal harvest period for such crop or (2) December 10 of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

5. Valuing production. In determining any loss under the contract, production of each insurable crop shall be evaluated at the predetermined price established by the Corporation for that crop and shown on the county actuarial table. However, any production of grain sorghums or oats which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be similarly evaluated.

6. Released crop. Notwithstanding any other provision of the policy, any crop on any insured acreage may be released by the Corporation subject to an appraisal by the Corporation of the yield that would be realized if the crop were harvested, except that any grain sorghum may be used for ensilage or fodder without a release by the Corporation if the insured leaves a number of rows considered by the Corporation to be an adequate representative sample for appraising the yield.

7. Amount of loss. (a) The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of each insured crop (exclusive of any acreage to which insurance did not attach) by the applicable coverage per acre, and the result by the insured interest, and (2) subtracting from the total thereof the insured interest in the value (determined in accordance with section 5 of this rider) of the total production on such acreage of all insured crops. However, if the premium computed for the planted acreage is more than the premium computed for the acreage and interest shown on the acreage report for the insurance unit, the amount of loss so determined shall be reduced on the basis of the ratio of the premium computed for the acreage and interest shown on the acreage report to the premium computed for the planted acreage. The total production for each insured crop on the insurance unit shall be the sum of all production determined in accordance with each of the applicable acreage classifications shown on the production schedule below. Where any small grains are seeded in an insured growing small grain crop on acreage not released by the Corporation, all production shall be counted as the insured small grain on a weight basis. In the case of a volunteer crop produced with an insured crop, the production of such volunteer crop shall be included in determining the production of the insured crop. Where vetch is grown with an insured small grain crop all production of vetch shall be counted as production of such small grain crop on a weight basis.

The Corporation reserves the right to determine the amount of production on the basis of an appraisal of any unharvested crop standing in the field.

RULES AND REGULATIONS

PRODUCTION SCHEDULE

Crop	Acreage classification	Total production ¹
1. Each insured crop except cotton and grain sorghum.	Acreage released by the Corporation and planted to a substitute crop.	That portion of the appraised production for such acreage which is in excess of 50 percent of the harvested coverage divided by the predetermined price for the crop.
2. Each insured crop except cotton and grain sorghum.	Acreage not planted to a substitute crop.	The appraised production or the actual production.
3. Cotton and grain sorghum.	Acreage released by the Corporation because of damage occurring prior to laying by the crop.	That portion of the appraised production for such acreage which is in excess of 60 percent of the harvested coverage divided by the predetermined price for the crop.
4. Cotton and grain sorghum.	Acreage on which the crop is laid by and not harvested.	That portion of the appraised production for such acreage which is in excess of 25 percent of the harvested coverage divided by the predetermined price for the crop.
5. Cotton and grain sorghum.	Acreage harvested.....	Production, including an appraisal of production left in the field after harvest and an appraisal of grain sorghum used for ensilage or fodder.
6. Each insured crop...	Acreage put to another use without the consent of the Corporation.	Appraised production for such acreage but not less than the harvested coverage divided by the predetermined price for the crop.
7. Each insured crop...	Acreage with reduced yield due solely to cause(s) not insured against.	Appraised amount by which production for such acreage has been reduced but not less than the harvested coverage divided by the predetermined price for the crop, minus the amount of production harvested.
8. Each insured crop...	Acreage with reduced yield due partially to cause(s) not insured against and partially to cause(s) insured against.	Appraised amount by which production for such acreage has been reduced because of cause(s) not insured against.

¹ Production shall be in bushels for oats and wheat, pounds for cotton, and hundredweights for grain sorghum.

Notwithstanding the other provisions of this paragraph (a) regarding the determination of the total production of cotton, in any case where the quality of any cotton production is reduced solely by insured causes to the extent that the value per pound, as determined by the Corporation, is less than 75 percent of the predetermined price, the number of pounds of such poor quality cotton shall be adjusted downward to the number of pounds obtained by dividing the total value of such cotton, as determined by the Corporation, by 75 percent of the predetermined price.

(b) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year and declare the premium on such units forfeited by the insured, or (2) allocate the commingled production in such manner as it determines appropriate.

8. Date table.

Discount date: November 30.

Cancellation date: June 30.

9. *Definitions.* "Harvest" with respect to any acreage of cotton means the removal (by manual or mechanical means) of an amount of cotton from the stalk which is equal in value (based on the predetermined price) to 10 percent or more of the coverage for such acreage.

"Laying by" means the completion of the final cultivation, consistent with good farming practices, that would be necessary to carry the crop to harvest.

Approved: Beginning with the 1955 crop year.

[SEAL]

FEDERAL CROP INSURANCE CORPORATION.

§ 420.91-4 Taylor County.

RIDER NO. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Taylor County, Tex., Beginning With the 1955 Crop Year)

1. *Insurable crops.* For the purpose of the multiple crop insurance program the insurable crops are:

(a) Barley (fall only) planted for harvest as grain.

(b) Cotton, restricted to American upland cotton and not including cotton planted primarily for experimental purposes.

(c) Grain sorghums planted for harvest as grain.

(d) Oats (fall and winter only) planted for harvest as grain.

(e) Winter wheat planted for harvest as grain.

2. *Coverage per acre.* (a) The coverage per acre for each insured crop, except cotton and grain sorghum, shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

(b) The coverage per acre for cotton and grain sorghum shall be reduced as follows: (1) 60 percent for any acreage which is released by the Corporation because of damage occurring prior to laying by the crop, and (2) 25 percent for any acreage on which the crop is laid by and not harvested.

3. *Insured acreage.* (a) In addition to the provisions of section 4 of the policy, for any crop year, insurance also shall not attach with respect to:

(1) Any acreage of cotton or grain sorghum planted following in the same crop year a small grain crop which reaches the heading stage.

(2) Any acreage of grain sorghum planted in rows less than 30 inches in width.

(b) For the purpose of determining the acreage insured under the contract, any acreage of cotton or grain sorghum planted in strips alternating with strips of idle land shall be considered on the following basis:

(1) Two rows planted to the crop and one row idle shall be considered as 100 percent of the crop in question.

(2) All other patterns of planting shall be considered as acreage of the crop in question in proportion to the percentage of the acreage actually occupied by the crop.

4. *Insurance period.* Insurance shall attach at the time of planting to any insured acreage of any insured crop. Insurance shall cease with respect to any portion of the cotton crop upon picking and all other insured crops upon threshing or with respect to any portion of any insured crop upon removal from the field, whichever is earlier. However, in no event shall insurance remain in

effect (a) with respect to any crop later than the earlier of (1) the end of the normal harvest period for such crop or (2) December 10 of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

5. *Valuing production.* In determining any loss under the contract, production of each insurable crop shall be evaluated at the predetermined price established by the Corporation for that crop and shown on the county actuarial table. However, any production of barley, grain sorghums or oats which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be evaluated at a value per unit determined by the Corporation. Wheat which does not grade No. 3 or better and does not grade No. 4 or 5 on the basis of test weight only (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be similarly evaluated.

6. *Release crop.* Notwithstanding any other provision of the policy, any crop on any insured acreage may be released by the Corporation subject to an appraisal by the Corporation of the yield that would be realized if the crop were harvested, except that any grain sorghum may be used for ensilage or fodder without a release by the Corporation if the insured leaves a number of rows considered by the Corporation to be an adequate representative sample for appraising the yield.

7. *Amount of loss.* (a) The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of each insured crop (exclusive of any acreage to which insurance did not attach) by the applicable coverage per acre, and the result by the insured interest, and (2) subtracting from the total thereof the insured interest in the value (determined in accordance with section 5 of this rider) or the total production on such acreage of all insured crops. However, if the premium computed for the planted acreage is more than the premium computed for the acreage and interest shown on the acreage report for the insurance unit, the amount of loss so determined shall be reduced on the basis of the ratio of the premium computed for the acreage and interest shown on the acreage report to the premium computed for the planted acreage. The total production for each insured crop on the insurance unit shall be the sum of all production determined in accordance with each of the applicable acreage classifications shown on the production schedule below. Where any small grains are seeded in an insured growing small grain crop on acreage not released by the Corporation, all production shall be counted as the insured small grain on a weight basis. In the case of a volunteer crop produced with an insured crop, the production of such volunteer crop shall be included in determining the production of the insured crop. Where vetch is grown with an insured small grain crop all production of vetch shall be counted as production of such small grain crop on a weight basis.

The Corporation reserves the right to determine the amount of production on the basis of an appraisal of any unharvested crop standing in the field.

PRODUCTION SCHEDULE

Crop	Acreage classification	Total production ¹
1. Each insured crop except cotton and grain sorghum.	Acreage released by the Corporation and planted to a substitute crop.	That portion of the appraised production for such acreage which is in excess of 50 percent of the harvested coverage divided by the predetermined price for the crop.
2. Each insured crop except cotton and grain sorghum.	Acreage not planted to a substitute crop.	The appraised production or the actual production.
3. Cotton and grain sorghum.	Acreage released by the Corporation because of damage occurring prior to laying by the crop.	That portion of the appraised production for such acreage which is in excess of 50 percent of the harvested coverage divided by the predetermined price for the crop.
4. Cotton and grain sorghum.	Acreage on which the crop is laid by and not harvested.	That portion of the appraised production for such acreage which is in excess of 25 percent of the harvested coverage divided by the predetermined price for the crop.
5. Cotton and grain sorghum.	Acreage harvested.....	Production, including an appraisal of production left in the field after harvest and an appraisal of grain sorghum used for ensilage or fodder.
6. Each insured crop...	Acreage put to another use without the consent of the Corporation.	Appraised production for such acreage but not less than the harvested coverage divided by the predetermined price for the crop.
7. Each insured crop...	Acreage with reduced yield due solely to cause(s) not insured against.	Appraised amount by which production for such acreage has been reduced but not less than the harvested coverage divided by the predetermined price for the crop, minus the amount of production harvested.
8. Each insured crop...	Acreage with reduced yield due partially to cause(s) not insured against and partially to cause(s) insured against.	Appraised amount by which production for such acreage has been reduced because of cause(s) not insured against.

¹ Production shall be in bushels for barley, oats, and wheat, pounds for cotton, and hundredweights for grain sorghums.

Notwithstanding the other provisions of this paragraph (a) regarding the determination of the total production of cotton, in any case where the quality of any cotton production is reduced solely by insured causes to the extent that the value per pound, as determined by the Corporation, is less than 75 percent of the predetermined price, the number of pounds of such poor quality cotton shall be adjusted downward to the number of pounds obtained by dividing the total value of such cotton, as determined by the Corporation, by 75 percent of the predetermined price.

(b) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year and declare the premium on such units forfeited by the insured, or (2) allocate the commingled production in such manner as it determines appropriate.

8. Date table.

Discount date: November 30.

Cancellation date: June 30.

9. Definitions. "Harvest" with respect to any acreage of cotton means the removal (by manual or mechanical means) of an amount of cotton from the stalk which is equal in value (based on the predetermined price) to 10 percent or more of the coverage for such acreage.

"Laying by" means the completion of the final cultivation, consistent with good farming practices, that would be necessary to carry the crop to harvest.

Approved: Beginning with the 1955 crop year.

[SEAL]

FEDERAL CROP INSURANCE CORPORATION.

§ 420.92 Utah.

§ 420.92-3 Duchesne, Emery Counties.

RIDER NO. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Duchesne and Emery Counties, Utah, Beginning With the 1955 Crop Year)

1. Insurable crops. For the purpose of the multiple crop insurance program the insurable crops are:

(a) Alfalfa for hay. (Insurance to attach the first crop year of the contract only if the application is filed on or before October 31 preceding the calendar year in which the crop for that crop year is normally harvested.)

(b) Barley planted for harvest as grain.

(c) Corn planted for silage.

(d) Oats planted for harvest as grain.

(e) Wheat planted for harvest as grain. (Insurance on winter wheat to attach the first crop year of the contract only if the application is filed on or before October 31 preceding the calendar year in which the crop for that crop year is normally harvested.)

(f) Mixtures of any two or more of the following crops: Barley, oats, and wheat, as defined in this section.

2. Coverage per acre. The coverage per acre for each insured crop shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

3. Determining coverage(s) and premium rate(s) for mixtures. (a) If a mixture of barley and wheat is seeded, the barley coverage shall apply. If any insurable mixture containing oats is seeded the oats coverage shall apply.

(b) For the purpose of determining the amount of premium, a mixture of barley and wheat shall be considered as barley and any insurable mixture containing oats shall be considered as oats.

4. Insurance period. Insurance shall attach at the time of planting to any insured acreage of any insured crop except alfalfa in which case insurance shall attach on November 1 (preceding harvest) provided there is a stand on that date sufficient that farmers in the area generally would leave it for harvest the following harvest season. Insurance shall cease with respect to any portion of the hay crop upon baling or stacking, the corn crop upon harvesting (cutting the corn for silage), and all other insured crops upon threshing or with respect to any portion of any crop upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (i) the end of the normal harvest period for such crop or (ii) December 10 of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

5. Valuing production. In determining any loss under the contract, production of each insurable crop shall be evaluated at the predetermined price established by the Corporation for that crop and shown on the county actuarial table. However, any production of barley or oats (excluding insurable mixtures of any of these crops) which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be evaluated at a value per unit determined by the Corporation. Wheat which does not grade No. 3 or better and does not grade No. 4 or 5 on the basis of test weight only (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be similarly evaluated.

6. Released crop. Notwithstanding any other provision of the policy, any crop on any insured acreage may be released by the Corporation subject to an appraisal by the Corporation of the yield that would be realized if the crop were harvested.

7. Amount of loss. (a) The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of each insured crop (exclusive of any acreage to which insurance did not attach) by the applicable coverage per acre, and the result by the insured interest, and (2) subtracting from the total thereof the insured interest in the value (determined in accordance with section 5 of this rider) of the total production on such acreage of all insured crops. However, if the premium computed for the planted acreage is more than the premium computed for the acreage and interest shown on the acreage report for the insurance unit, the amount of loss so determined shall be reduced on the basis of the ratio of the premium computed for the acreage and interest shown on the acreage report to the premium computed for the planted acreage. The total production for each insured crop on the insurance unit shall be the sum of all production determined in accordance with each of the applicable acreage classifications shown on

the production schedule below. In determining production on acreage where a mixture of barley and wheat is insured, all the production shall be counted as barley on a weight basis, and where any insurable mixture containing oats is insured, all the production shall be counted as oats on a weight basis. Where any small grains are seeded in an insured growing small grain crop on acreage not released by the Corporation, all

production shall be counted as the insured small grain on a weight basis. In the case of a volunteer crop produced with an insured crop, the production of such volunteer crop shall be included in determining the production of the insured crop.

The Corporation reserves the right to determine the amount of production on the basis of an appraisal of any unharvested crop standing in the field.

PRODUCTION SCHEDULE FOR EACH INSURED CROP

<i>Acreage classification</i>	<i>Total production¹</i>
1. Acreage released by the Corporation and planted to a substitute crop.	That portion of the appraised production for such acreage which is in excess of 50 percent of the harvested coverage divided by the predetermined price for the crop.
2. Acreage not planted to a substitute crop.	The appraised production or the actual production.
3. Acreage put to another use without the consent of the Corporation.	Appraised production for such acreage but not less than the harvested coverage divided by the predetermined price for the crop.
4. Acreage with reduced yield due solely to cause(s) not insured against.	Appraised amount by which production for such acreage has been reduced but not less than the harvested coverage divided by the predetermined price for the crop, minus the amount of production harvested.
5. Acreage with reduced yield due partially to cause(s) not insured against and partially to cause(s) insured against.	Appraised amount by which production for such acreage has been reduced because of cause(s) not insured against.

¹ Production shall be in bushels for barley, oats, and wheat, and in tons (rounded to tenths) for alfalfa hay and corn silage.

(b) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreage involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year and declare the premium on such units forfeited by the insured, or (2) allocate the commingled production in such manner as it determines appropriate.

8. *Irrigated acreage.* (a) In addition to the provisions of section 4 of the policy, the following provisions shall apply: (1) The acreage of insurable crops which shall be insured in any year shall not exceed that acreage which can be irrigated adequately with the facilities available and with a supply of irrigation water which reasonably could be expected, taking into consideration the amount of water required to irrigate the acreage of all irrigated crops on the farm, and (2) insurance shall not attach with respect to acreage planted to insurable crops (i) the first year after being leveled or (ii) the first year such acreage is irrigated.

(b) In addition to the causes of loss insured against as shown on the first page of the policy, the contract shall cover loss due to failure of the water supply from natural causes that could not be foreseen and prevented by the insured.

(c) In addition to the causes of loss not insured against as shown in section 8 of the policy, the contract shall not cover loss caused by (1) failure properly to apply irrigation water to any insurable crop in accordance with good farming practices, as determined by the Corporation, and (2) shortage of irrigation water on any farm where the Corporation determines that the total acreage of all irrigated crops on the farm is in excess of that which could be irrigated properly with the facilities available and with the supply or irrigation water which reasonably could be expected.

9. *Date table.*

Discount date: November 30.

Cancellation date: August 31.

Date by which county minimum participation requirement must be met for any crop

year: October 31 following the cancellation date for the crop year.

10. *Definitions.* For all purposes under the contract alfalfa for harvest within the crop year shall be considered to have been planted as of the beginning of the insurance period for that crop year.

Approved: Beginning with the 1955 crop year.

[SEAL]

FEDERAL CROP INSURANCE CORPORATION.

\$ 420.96 *West Virginia.*

\$ 420.96-1 *Berkeley County.*

RIDER NO. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Berkeley County, W. Va., Beginning With the 1955 Crop Year)

1. *Insurable crops.* For the purpose of the multiple crop insurance program the insurable crops are:

(a) Barley planted for harvest as grain.

(b) Corn normally regarded as field corn. The contract will not provide insurance for true type silage corn, corn planted thick for silage or fodder purposes, sweet corn, popcorn, broom corn, corn planted for the development of hybrid seed corn, or any type of corn other than that normally regarded as field corn.

(c) Oats planted for harvest as grain.

(d) Winter wheat planted for harvest as grain.

2. *Coverage per acre.* (a) The coverage per acre for each insured crop shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop. (b) The coverage for any acreage of corn, except acreage released and planted to a substitute crop, shall be reduced 10 percent if the value of the total of all production therefrom (determined in accordance with sections 4 and 6 of this rider) does not equal or exceed 10 percent of the coverage for such acreage.

3. *Insurance period.* Insurance shall attach at the time of planting to any insured acreage of any insured crop. Insurance shall cease with respect to any portion of the corn

crop upon harvesting (picking the corn from the stalk either by hand or machine or cutting the corn for fodder or silage and all other insured crops upon threshing or with respect to any portion of any crop upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (i) the end of the normal harvest period for such crop or (ii) December 10 of the calendar year in which the crop is normally harvested unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

4. *Valuing production.* In determining any loss under the contract, production of each insurable crop shall be evaluated at the predetermined price established by the Corporation for that crop and shown on the county actuarial table. However, any production of barley, oats, or corn which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be evaluated at a value per unit determined by the Corporation. Wheat which does not grade No. 3 or better and does not grade No. 4 or 5 on the basis of test weight only (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be similarly evaluated.

5. *Released crop.* Notwithstanding any other provision of the policy, any crop on any insured acreage may be released by the Corporation subject to an appraisal by the Corporation of the yield that would be realized if the crop were harvested, except that any corn may be used for silage or fodder without a release by the Corporation if the insured leaves a number of rows considered by the Corporation to be an adequate representative sample for appraising the yield.

6. *Amount of loss.* (a) The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of each insured crop (exclusive of any acreage to which insurance did not attach) by the applicable coverage per acre, and the result by the insured interest, and (2) subtracting from the total thereof the insured interest in the value (determined in accordance with section 4 of this rider) of the total production on such acreage of all insured crops. However, if the premium computed for the planted acreage is more than the premium computed for the acreage and interest shown on the acreage report for the insurance unit, the amount of loss so determined shall be reduced on the basis of the ratio of the premium computed for the acreage and interest shown on the acreage report to the premium computed for the planted acreage. The total production for each insured crop on the insurance unit shall be the sum of all production determined in accordance with each of the applicable acreage classifications shown on the production schedule below. Where any small grains are seeded in an insured growing small grain crop on acreage not released by the Corporation, all production shall be counted as the insured small grain on a weight basis. In the case of a volunteer crop produced with an insured crop, the production of such volunteer crop shall be included in determining the production of the insured crop.

The Corporation reserves the right to determine the amount of production on the basis of an appraisal of any unharvested crop standing in the field.

PRODUCTION SCHEDULE FOR EACH INSURED CROP

Total production¹

Acresage classification

1. Acresage released by the Corporation and planted to a substitute crop.
2. Acresage not planted to a substitute crop.
3. Acresage put to another use without the consent of the Corporation.
4. Acresage with reduced yield due solely to cause(s) not insured against.
5. Acresage with reduced yield due partially to cause(s) not insured against and partially to cause(s) insured against.

¹ Production shall be in bushels for all crops. No production shall be counted for any corn acreage on which the coverage is reduced 10 percent under section 2 (b) of this rider.

(b) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acresage involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year and declare the premium on such units forfeited by the insured, or (2) allocate the commingled production in such manner as it determines appropriate.

7. Date table.
Discount date: November 30.
Cancellation date: August 31.

Approved: Beginning with the 1955 crop year.

[SEAL] FEDERAL CROP INSURANCE CORPORATION.

\$ 420.98 Wyoming.

\$ 420.98-1 Platte County.

RIDER NO. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Platte County, Wyoming, Beginning With the 1955 crop year)

1. Insurable crops. For the purpose of the multiple crop insurance program the insurable crops are:

(a) Alfalfa hay. (Insurance to attach the first crop year of the contract only if the application is filed on or before August 31 preceding the calendar year in which the crop for that crop year is normally harvested.)

(b) Barley (spring only) planted for harvest as grain.

(c) Corn planted for grain, silage or fodder but not including sweet corn, popcorn, broom corn, or corn planted for the de-

velopment of hybrid seed corn. However, corn for fodder will not be insured unless it is planted in time reasonably to expect the corn to mature as grain as determined by the Corporation.

(d) Dry edible beans (Pinto and Great Northern).

(e) Oats (spring only) planted for harvest as grain.

(f) Wheat planted for harvest as grain. (Insurance on winter wheat to attach the first crop year of the contract only if the application is filed on or before August 31 preceding the calendar year in which the crop for that crop year is normally harvested.)

2. Existing crop insurance contract. The acceptance by the Corporation of a multiple crop insurance application shall not cancel any existing wheat crop insurance contract between the insured and the Corporation.

3. Coverage per acre. (a) The coverage per acre for each insured crop shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

(b) The coverage for any acreage of corn, except acreage released and planted to a substitute crop, shall be reduced 10 percent if the value of the total of all production therefrom (determined in accordance with secs. 5 and 7 of this rider) does not equal or exceed 10 percent of the coverage for such acreage.

4. Insurance period. Insurance shall attach at the time of planting to any insured acreage of any insured crop except hay on which insurance shall attach on November 1 (preceding harvest) provided there is a stand on that date sufficient that farmers in the area generally would leave it for harvest the following harvest season. Insurance shall cease with respect to any portion

of the corn crop upon harvesting (picking the corn from the stalk either by hand or machine or cutting the corn for fodder or silage), the hay crop upon baling or threshing, and all other insured crops upon threshing or with respect to any portion of any crop upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (1) the end of the normal harvest period for such crop or (ii) December 10 of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

5. Valuing production. In determining any loss under the contract, production of each insurable crop shall be evaluated at the predetermined price established by the Corporation for that crop and shown on the county actuarial table. However, any production of barley, corn (as set forth below), or oats which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be evaluated at a value per unit determined by the Corporation. Wheat which does not grade No. 3 or better and does not grade No. 4 or 5 on the basis of test weight only (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be similarly evaluated. In order for corn to be evaluated for poor quality it must be a variety of corn adapted to the production of corn for grain and must be harvested as grain or fodder. In order to provide quality protection on dry edible beans, production of beans shall be determined on the basis of sound whole beans.

6. Released crop. Notwithstanding any other provision of the policy, any crop on any insured acreage may be released by the

Corporation subject to an appraisal by the Corporation of the yield that would be realized if the crop were harvested.

7. Amount of loss. (a) The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acresage of each insured crop (exclusive of any acreage to which insurance did not attach) by the applicable coverage per acre, and the result by the insured interest, and (2) subtracting from the total thereof the insured interest in the value (determined in accordance with section 5 of this rider) of the total production on such acreage of all insured crops. However, if the premium computed for the planted acreage is more than the premium computed for the acreage and interest shown on the acreage report for the insurance unit, the amount of loss so determined shall be reduced on the basis of the ratio of the premium computed for the acreage and interest shown on the acreage report to the premium computed for the planted acreage. The total production for each insured crop on the insurance unit shall be the sum of all production determined in accordance with each of the applicable acreage classifications shown on the production schedule below. Production of corn shall be counted as grain, except that production for any corn harvested for silage and the appraised production for any true type silage corn and corn planted thick for silage but not harvested as silage shall be counted as corn silage. Where any small grains are seeded in an insured growing small grain crop on acreage not released by the Corporation, all production shall be counted as the insured small grain on a weight basis. In the case of a volunteer crop produced with an insured crop, the production of such volunteer crop shall be included in determining the production of the insured crop.

The Corporation reserves the right to determine the amount of production on the basis of an appraisal of any unharvested crop standing in the field.

PRODUCTION SCHEDULE FOR EACH INSURED CROP

Total production¹

Acresage classification

1. Acresage released by the Corporation and planted to a substitute crop.
2. Acresage not planted to a substitute crop.
3. Acresage put to another use without the consent of the Corporation.

¹ Production shall be in bushels for barley, oats, and wheat; pounds for beans, tons (rounded to tenths) for alfalfa; and in bushels for corn grain or tons (rounded to tenths) for corn silage, whichever is applicable. No production shall be counted for any corn acreage on which the coverage is reduced 10 percent under section 3 (b) of this rider.

PRODUCTION SCHEDULE FOR EACH INSURED CROP—Continued

Acreage classification

4. Acreage with reduced yield due solely to cause(s) not insured against.
5. Acreage with reduced yield due partially to cause(s) not insured against and insured against.

Total production

Appraised amount by which production for such acreage has been reduced but not less than the harvested coverage divided by the predetermined price for the crop, minus the amount of production harvested.

Appraised amount by which production for such acreage has been reduced because of cause(s) not insured against.

(b) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year and declare the premium on such units forfeited by the insured, or (2) allocate the commingled production in such manner as it determines appropriate.

8. *Irrigated acreage.* (a) In addition to the provisions of section 4 of the policy, the following provisions shall apply: (1) The acreage of insurable crops which shall be insured in any year shall not exceed that acreage which can be irrigated adequately with the facilities available and with a supply of irrigation water which reasonably could be expected, taking into consideration the amount of water required to irrigate the acreage of all irrigated crops on the farm, and (2) insurance shall not attach with respect to acreage planted to insurable crops (1) the first year after being leveled or (2) the first year such acreage is irrigated.

(b) In addition to the causes of loss insured against as shown on the first page of the policy, the contract shall cover loss due to failure of the water supply from natural causes that could not be foreseen and prevented by the insured.

(c) In addition to the causes of loss not insured against as shown in section 8 of the policy, the contract shall not cover loss caused by (1) failure properly to apply irrigation water to any insurable crop in accordance with good farming practices, as determined by the Corporation, and (2) shortage of irrigation water on any farm where the Corporation determines that the total acreage of all irrigated crops on the farm is in excess of that which could be irrigated properly with the facilities available and with the supply of irrigation water which reasonably could be expected.

9. *Date table.*

Discount date: November 30.

Cancellation date: June 30.

Date by which county minimum participation requirement must be met for any crop

the corn crop upon harvesting (cutting the corn for silage), the hay crop upon baling or stacking, and all other insured crops upon threshing or with respect to any portion of any crop upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (i) the end of the normal harvest period for such crop or (ii) December 10 of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

4. *Valuing production.* In determining any loss under the contract, production of each insurable crop shall be evaluated at the predetermined price established by the Corporation for that crop and shown on the county actuarial table. However, any production of barley or oats which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be evaluated at a value per unit determined by the Corporation. Wheat which does not grade No. 3 or better and does not grade No. 4 or 5 on the basis of test weight only (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes, and would not meet these requirements if properly handled, shall be similarly evaluated. In order to provide quality protection on dry edible beans, production of beans shall be determined on the basis of sound whole beans.

5. *Released crop.* Notwithstanding any other provision of the policy, any crop on any

PRODUCTION SCHEDULE FOR EACH INSURED CROP

Acreage classification

1. Acreage released by the Corporation and planted to a substitute crop.

2. Acreage not planted to a substitute crop.

3. Acreage put to another use without the consent of the Corporation.

4. Acreage with reduced yield due solely to cause(s) not insured against.

5. Acreage with reduced yield due partially to cause(s) not insured against and insured against.

Total production¹

That portion of the appraised production for such acreage which is in excess of 50 percent of the harvested coverage divided by the predetermined price for the crop. The appraised production or the actual production.

Appraised production for such acreage but not less than the harvested coverage divided by the predetermined price for the crop.

Appraised amount by which production for such acreage has been reduced but not less than the harvested coverage divided by the predetermined price for the crop, minus the amount of production harvested.

Appraised amount by which production for such acreage has been reduced because of cause(s) not insured against.

insured acreage may be released by the Corporation subject to an appraisal by the Corporation of the yield that would be realized if the crop were harvested.

6. *Amount of loss.* (a) The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planned acreage of each insured crop (exclusive of any acreage to which insurance did not attach) by the applicable coverage per acre, and the result by the insured interest, and (2) subtracting from the total thereof the insured interest in the value (determined in accordance with section 4 of this rider) of the total production on such acreage of all insured crops. However, if the premium computed for the planted acreage is more than the premium computed for the acreage and interest shown on the acreage report for the insured unit, the amount of loss so determined shall be reduced on the basis of the ratio of the premium computed for the acreage and interest shown on the acreage report to the premium computed for the planted acreage. The total production for each insured crop on the insurance unit shall be the sum of all production determined in accordance with each of the applicable acreage classifications shown on the production schedule below. Where any small grains are seeded in an insured growing small grain crop on acreage not released by the Corporation, all production shall be counted as the insured small grain on a weight basis. In the case of a volunteer crop produced with an insured crop, the production of such volunteer crop shall be included in determining the production of the insured crop.

The Corporation reserves the right to determine the amount of production on the basis of an appraisal of any unharvested crop standing in the field.

¹ Production shall be in bushels for barley, oats and wheat, pounds for beans, and tons (rounded to tenths) for corn silage and hay.

(b) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year and declare the premium on such units forfeited by the insured, or (2) allocate the commingled production in such manner as it determines appropriate.

7. *Irrigated acreage.* (a) In addition to the provisions of section 4 of the policy, the following provisions shall apply: (1) The acreage of insurable crops which shall be insured in any year shall not exceed that acreage which can be irrigated adequately with the facilities available and with a supply of irrigation water which reasonably could be expected, taking into consideration the amount of water required to irrigate the acreage of all irrigated crops on the farm, and (2) insurance shall not attach with respect to acreage planted to insurable crops (i) the first year after being leveled or (ii) the first year such acreage is irrigated.

(b) In addition to the causes of loss insured against as shown on the first page of the policy, the contract shall cover loss due to failure of the water supply from natural causes that could not be foreseen and prevented by the insured.

(c) In addition to the causes of loss not insured against as shown in section 8 of the policy, the contract shall not cover loss caused by (1) failure properly to apply irrigation water to any insurable crop in accordance with good farming practices, as determined by the Corporation, and (2) shortage of irrigation water on any farm where the Corporation determines that the total acreage of all irrigated crops on the farm is in excess of that which could be irrigated properly with the facilities available and with the supply of irrigation water which reasonably could be expected.

8. Date table.

Discount date: November 30.

Cancellation date: July 31.

Date by which county minimum participation requirement must be met for any crop year: September 30 following the cancellation date for the crop year.

9. *Definitions.* For all purposes under the contract hay for harvest within the crop year shall be considered to have been planted as of the beginning of the insurance period for that crop year.

Approved: Beginning with the 1955 crop year.

[SEAL]

FEDERAL CROP INSURANCE CORPORATION.

[F. R. Doc. 55-2480; Filed, Mar. 29, 1955; 8:45 a. m.]

Chapter IX—Agricultural Marketing Service (Marketing Agreements and Orders), Department of Agriculture

[Docket No. AO-233-A2]

PART 963—MILK IN STARK COUNTY, OHIO, MARKETING AREA

ORDER AMENDING ORDER, AS AMENDED, REGULATING HANDLING

§ 963.0 *Findings and determinations.* The findings and determinations hereinafter set forth are supplementary and in addition to the findings and determinations previously made in connection with the issuance of the aforesaid order and each of the previously issued amendments thereto; and all of said previous

findings and determinations are hereby ratified and affirmed, except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

(a) *Findings upon the basis of the hearing record.* Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.), and the applicable rules of practice and procedure, as amended, governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), a public hearing was held upon certain proposed amendments to the tentative marketing agreement and to the order, as amended, regulating the handling of milk in the Stark County, Ohio, marketing area. Upon the basis of the evidence introduced at such hearing and the record thereof, it is found that:

(1) The said order, as amended, and as hereby further amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the act.

(2) The parity prices of milk as determined pursuant to section 2 of the act are not reasonable in view of the price of feeds, available supplies of feeds and other economic conditions which affect market supply and demand for milk in the said marketing area, and the minimum prices specified in the order, as amended, and as hereby further amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk and be in the public interest; and

(3) The said order, as amended, and as hereby further amended, regulates the handling of milk in the same manner as and is applicable only to persons in the respective classes of industrial and commercial activity specified in a marketing agreement upon which a hearing has been held.

(b) *Additional findings.* It is hereby found and determined that good cause exists for making this amendatory order effective on April 1, 1955. Such action is necessary in the public interest in order to reflect current marketing conditions and to facilitate the orderly marketing of milk produced for the Stark County, Ohio, marketing area.

Accordingly, any further delay in the effective date of this order will seriously threaten the orderly marketing of milk in the marketing area. The provisions of this amendatory order are well known to handlers and producers, the public hearing having been convened on February 23, 1955, and a decision containing the terms and provisions of the order having been issued on March 18, 1955. Reasonable time under the circumstances has been afforded persons affected to prepare for its effective date. Therefore, it would be contrary to the public interest to delay the effective date of this amendment for 30 days after its publication in the FEDERAL REGISTER. (See section 4 (c) Administrative Procedure Act, Public Law 404, 79th Congress, 60 Stat. 237).

(c) *Determinations.* It is hereby determined that handlers (excluding cooperative associations of producers who are not engaged in processing, distribut-

ing or shipping milk covered by this order amending the order, as amended), of more than 50 percent of the volume of the milk covered by this order amending the order, as amended, which is marketed within the said marketing area, refused or failed to sign the proposed marketing agreement regulating the handling of milk in the said marketing area, and it is hereby further determined that:

(1) The refusal or failure of such handlers to sign said marketing agreement tends to prevent the effectuation of the declared policy of the act;

(2) The issuance of this order amending the order, as amended, is the only practical means, pursuant to the declared policy of the act, of advancing the interests of producers of milk which is produced for sale in the said marketing area; and

(3) The issuance of this order amending the order, as amended, is approved or favored by at least two-thirds of the producers, who during the determined representative period (January 1955), were engaged in the production of milk for sale in the said marketing area.

Order relative to handling. It is therefore ordered, That on and after the effective date hereof the handling of milk in the Stark County, Ohio, marketing area shall be in conformity to and in compliance with the terms and conditions of the aforesaid order, as amended, and as hereby further amended, and the aforesaid order, as amended, is hereby further amended as follows: Amend § 963.52 by adding after paragraph (c) the following: "Provided, That in April, May and June, 1955, in lieu of the 'basic formula price' referred to in paragraphs (a) and (c) of this section, use the higher of (1) the basic formula price computed pursuant to § 963.50 minus 18 cents, or (2) the price determined pursuant to § 963.50 (a) minus 8 cents."

Issued at Washington, D. C., this 25th day of March 1955, to be effective on and after the 1st day of April 1955.

[SEAL]

TRUE D. MORSE,

Acting Secretary of Agriculture.

[F. R. Doc. 55-2617; Filed, Mar. 29, 1955; 8:52 a. m.]

PART 965—MILK IN THE CINCINNATI, OHIO, MARKETING AREA

ORDER SUSPENDING CERTAIN PROVISIONS OF ORDER, AS AMENDED, REGULATING HANDLING

Pursuant to the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.), hereinafter referred to as the "act," and of the order, as amended (7 CFR Part 965), regulating the handling of milk in the Cincinnati, Ohio, marketing area, hereinafter referred to as the "order", it is hereby found and determined that:

a. The provisions of § 965.51 (c) of the order, which read "during each of the months of March through August, inclusive, shall be the higher of the prices per hundredweight computed pur-

suant to subparagraphs (1) and (2) of this paragraph; and the price for Class III milk during each of the months of September through February, inclusive, shall be the higher of such computed prices plus 30 cents: (1) The price as computed pursuant to § 965.50 (b): *Provided*, That the price per hundredweight for Class III milk during the month of March 1955", and the provisions of § 965.51 (d) of the order which read "for the month of March 1955", do not tend to effectuate the declared policy of the act with respect to milk subject to the order produced during the month of April 1955.

b. A public hearing on proposed amendments to the order, including proposals to amend the price formulas for Class III and Class IV milk, was held at Cincinnati, Ohio, on January 11, 12, and 13, 1955. On the basis of evidence adduced at such hearing it was found that an emergency existed in connection with the pricing of Class III and Class IV milk and following a decision by the Assistant Secretary of Agriculture the order was amended for the month of March 1955 to include revised price formulas for such classes of milk to facilitate, promote, and maintain the orderly marketing of reserve milk supplies. This suspension order continues the March formulas for pricing Class III and Class IV milk through the month of April 1955 pending final action on the balance of matters considered at the public hearing in January.

c. Notice of proposed rule making, public procedure thereon, and 30 days prior notice to the effective date hereof are found to be impracticable, unnecessary and contrary to the public interest in that (1) this suspension order relieves restriction in the pricing of milk produced in excess of the market's fluid requirements which is utilized in ice cream, butter, nonfat dry milk solids, and other manufactured milk products, and is necessary to facilitate, promote, and maintain the orderly marketing of milk produced for the said marketing area; (2) the price formulas for Class III and Class IV milk as continued in effect for April 1955 by this suspension order have not met with objection by handlers or producers as applied during the month of March 1955 and have facilitated the orderly marketing of producer milk during such month; (3) this suspension order does not require of persons affected substantial or extensive preparation prior to its effective date; and (4) the time intervening between the date of this suspension order and its effective date affords persons affected a reasonable time to prepare for its effective date.

It is therefore ordered, That the provisions of § 965.51 (c), which read "during each of the months of March through August, inclusive, shall be the higher of the prices per hundredweight computed pursuant to subparagraphs (1) and (2) of this paragraph; and the price for Class III milk during each of the months of September through February, inclusive, shall be the higher of such computed prices plus 30 cents: (1) The price as computed pursuant to § 965.50

(b): *Provided*, That the price per hundredweight for Class III milk during the month of March 1955", and the provisions of § 965.51 (d) of the order which read "for the month of March 1955", be and hereby are suspended, with respect to all milk subject to the order during the month of April 1955.

(Sec. 5, 49 Stat. 753, as amended; 7 U. S. C. 608c)

Done at Washington, D. C., this 25th day of March 1955.

[SEAL] TRUE D. MORSE,
Acting Secretary of Agriculture.

[F. R. Doc. 55-2613; Filed, Mar. 29, 1955;
8:51 a. m.]

TITLE 6—AGRICULTURAL CREDIT

Chapter III—Farmers Home Administration, Department of Agriculture

Subchapter D—Water Facilities Loans

PART 351—APPROVAL AUTHORITY

PART 352—POLICIES

PART 354—PROCESSING LOANS TO INDIVIDUALS

PART 355—PROCESSING LOANS FOR GROUP SERVICES

REDESIGNATION AND REVISION

CROSS REFERENCE: For redesignation of heading for Subchapter D, and revocation of Parts 351, 352, 354 and 355, see F. R. Document 55-2614, *infra*.

Subchapter D—Soil and Water Conservation Loans

[FHA Instructions 442.1, 442.2, 442.3]

[Administration Letters 257 (442), 330 (440), 383 (440)]

REDESIGNATION AND PARTIAL REVISION OF SUBCHAPTER

Chapter III of Title 6, Code of Federal Regulations, is amended to redesignate Subchapter D as "Soil and Water Conservation Loans," to revoke Parts 351 (17 F. R. 7807, 9579), 352 (17 F. R. 8565, 18 F. R. 4923), 354 (15 F. R. 2377, 17 F. R. 1081, 9579, 18 F. R. 2633, 19 F. R. 2997), and 355 (14 F. R. 4509, 17 F. R. 1875), and to add new Parts 351, 352, and 353 as follows:

PART 351—POLICIES AND AUTHORITIES

Sec.

351.1 General.

351.2 Loans to individuals.

351.3 Loans to associations.

351.4 Use of supervised bank accounts.

351.5 Subsequent loans.

351.6 Area determinations.

AUTHORITY: §§ 351.1 to 351.6 Issued under R. S. 161, 5 U. S. C. 22; sec. 6 (3), 50 Stat. 870; 16 U. S. C. 590w (3); sec. 10 (a) (7), 68 Stat. 735, 16 U. S. C. 590x-3. Interpret or apply secs. 2 (3), 5, 50 Stat. 869, 870; 16 U. S. C. 590s (3) 590v; secs. 9, 10, 68 Stat. 735, 736; 16 U. S. C. 590x-2, 590x-3. Other statutory provisions interpreted or applied are cited to text in parentheses.

§ 351.1 General. Sections 351.1 to 351.6 outline the general policies and authorities for making Soil and Water Conservation Loans.

(a) *Objectives*. The basic objectives of Soil and Water Conservation loans are to encourage and facilitate the improvement, protection, and proper use of farm land by providing adequate financing for soil conservation; water development, conservation, and use; forestation; drainage of farm land; the establishment and improvement of permanent pasture; and other related measures.

(b) *Sources of funds*. Soil and Water Conservation loans may be made from funds furnished by private lenders and insured by the Government, or from funds appropriated by the Congress. Direct Soil and Water Conservation loans will be made only when insured funds are not available.

(c) *Veterans' preference*. Veterans will be given preference for Soil and Water Conservation loans. When it appears that available funds will be inadequate to meet the needs of all applicants, the applications on hand from veterans will be processed first.

(d) *Compliance with special laws and regulations*. Applicants for Soil and Water Conservation loans will be required to comply with Federal, State, and local laws and regulations governing diverting, appropriating, and using water, installing facilities for draining land, and making changes in the use of land affected by zoning regulations.

(1) In making a Soil and Water Conservation loan involving the use of surface water by an applicant in States where the right to use water is not granted or controlled pursuant to State statutes, it should be determined that one or more of the following conditions are or will be present:

(i) Water will be diverted from a major stream on which the use of water will not likely be contested or enjoined.

(ii) The ultimate success of the applicant's farming operations and the repayment of the loan will not be dependent upon the water supply diverted from a minor stream on which the continued use of water could be denied, and the applicant will give sufficient security to protect the interest of the Government. In such instances, real estate taken as security for the loan should be appraised without taking into account the value of the farm from improvements to be financed with the Soil and Water Conservation loan.

(iii) Flood waters will be diverted and impounded in an off-stream storage reservoir without conflict with the rights of other users.

(iv) The applicant can furnish evidence of existing uses of the proposed source of water and evidence to provide reasonable assurance that his proposed diversion and use of water from streams, lakes, springs, or other sources will not interfere with any vested water right and will not likely be contested or enjoined by other water users or riparian owners.

(2) If the proposed diversion and use of water by the applicant can be made a matter of record by any method, such as by filing a notice thereof, the applicant will be required to do this.

(3) When required by State law, permission to construct water and drainage facilities and the approval of plans and

specifications for such facilities will be obtained from appropriate State officials.

(4) When planned improvements to be financed with Soil and Water Conservation loans will result in a conflict with restrictions on the use of land in zoned areas, the applicant will be required to obtain permission from appropriate State officials to make such improvements.

(e) *Compliance with recommended practices.* Soil and Water Conservation loans may be made only to establish or apply soil conservation, water development or use, or drainage practices that are in accord with recommendations made by the State Agricultural Extension Service or the Soil Conservation Service.

(f) *County committee certifications.* No Soil and Water Conservation loan will be made unless the County Committee certifies that the applicant is eligible for such assistance. When the farm to be improved is taken as security for an individual loan, the Committee will certify as to the normal market value of the property, after the contemplated improvements are made.

(g) *Relationship of Soil and Water Conservation loans to Farm Ownership and Production and Subsistence loans.* Soil and Water Conservation loans will be made only to those applicants whose special credit needs properly can be met under Soil and Water Conservation loan authorities.

(1) The land improvement and water development credit needs of applicants who are receiving either initial or subsequent adjustment Production and Subsistence loans generally will be met with Production and Subsistence loans. However, where substantial amounts for such purposes are involved, a Soil and Water Conservation loan may be made to a borrower indebted for a Production and Subsistence adjustment loan or in connection with an initial Production and Subsistence adjustment loan.

(2) A Soil and Water Conservation loan will not be made to an applicant who is receiving a Farm Ownership loan. When an applicant who is eligible for a Farm Ownership loan needs credit for building improvement, as well as land improvement or water development, his total needs should be met with a Farm Ownership loan.

(3) Generally, additional land improvement and water development needed by a Farm Ownership borrower will be met with a subsequent Farm Ownership loan. However, when such costs are relatively small, a Soil and Water Conservation loan may be made to a Farm Ownership borrower provided the loan approval official determines that the sum of the Soil and Water Conservation loan, less any amount to be used for the purchase of chattel property, and the unpaid balance of the Farm Ownership loan will not exceed the loan limit that would be applicable if a subsequent Farm Ownership loan were being made.

(Sec. 1, 50 Stat. 869; 16 U. S. C. 590r; sec. 42, 60 Stat. 1066; 7 U. S. C. 1016; sec. 1, 21, 60 Stat. 1072, 7 U. S. C. 1001)

§ 351.2 *Loans to individuals—(a) Definition.* The term "individual" as

used in reference to Soil and Water Conservation loans means individual persons, partnerships that own or operate farms, and corporations that are engaged in farming.

(b) *Use of loan funds.* (1) Soil and Water Conservation loans may be made for:

(i) Paying the cash costs for materials, supplies, equipment, and services directly related to the application or establishment of soil conservation practices; water development, conservation and use facilities and practices; drainage; establishment and improvement of permanent pasture; and sustained yield forestation; such as:

(a) Terraces, dikes, reservoirs, ponds, tanks, cisterns, wells, pipelines, pumping and irrigation equipment, ditches and canals for irrigation and drainage, waterways, and erosion control structures.

(b) Drainage of land which is part of an operating farm unit.

(c) Removal of brush, scattered trees, or stumps.

(d) Sodding, subsoiling, land leveling, lime, and fencing.

(e) Fertilizer and seed used in connection with a soil conservation practice, or the establishment or improvement of permanent pasture.

(f) Forestation for sustained yield and tree planting for erosion control or shelter-belt purposes.

(g) Gasoline, oil, and equipment rental or hire.

(h) Hired labor, technical or professional services and fees in connection with obtaining the loan and planning and completing the facility or practice to be financed with Soil and Water Conservation funds.

(i) Purchase or repair of special-purpose equipment such as terracing, land leveling, and ditching equipment, provided: such equipment is needed for, and will facilitate the completion or maintenance of, the planned improvement; and the cost of the improvement and equipment will not be more than if the work were performed by contract or other methods.

(ii) Acquiring a source of water to be used on land the applicant owns or is acquiring, including:

(a) The purchase of water stock or membership in an incorporated water users association.

(b) The acquisition of a water right through appropriation, agreement, or permit, as authorized by local, State and Federal laws.

(c) The acquisition of a water supply or right, and the land on which it is presently being used, when the water supply or right cannot be purchased without the land, provided: The value of the land without the water supply or right is only an incidental part of the total price; and the water supply or right will be transferred to and used more effectively on other land owned by the applicant.

(iii) The purchase of land or an interest therein for sites or rights-of-way upon which a water or drainage facility will be located.

(iv) The purchase of stock or membership in, or the payment of assessments to, an incorporated association or organized group service which will help such association or group service to finance facilities and improvements for which loan funds may be used.

(2) Soil and Water Conservation loan funds may not be used to pay for:

(i) Water or drainage facilities that will be used in connection with the cultivation of lands that are submarginal and which should be devoted to other uses in the public interest.

(ii) Any annually recurring costs that generally are considered as farm operating expenses.

(iii) Plumbing, plumbing fixtures, or piping within the dwelling or other buildings, and waste disposal systems.

(iv) Power plants to generate electricity, or electric or gas transmission or distribution lines other than service drops and lines.

(v) Labor performed by the borrower or members of his household, or for the use of equipment or machinery he owns.

(vi) The construction or repair of buildings other than structures to protect pumping installations.

(vii) The purchase or repair of machinery or equipment used in normal farming operations, other than pumps and irrigation systems, including motors, and the special-purpose equipment authorized for purchase, such as terracing, land leveling, and ditching equipment.

(viii) The removal of heavy stands of timber or stumps, except from rights-of-way or from sites for reservoirs and other structures.

(ix) Drainage, the primary purpose of which is to bring additional farm units into production.

(x) Structures or measures to be used for flood control purposes unless such structures or measures will result in substantial soil conservation or water use benefits.

(xi) That part of the cost of facilities, improvements, and practices which is to be earned by participation in the Agricultural Conservation Program and which can be covered by purchase orders or assignments to material suppliers, contractors, and so forth. If purchase orders or such assignments cannot be readily used, Soil and Water Conservation loan funds may be advanced to cover all or part of the cost of work for which the Agricultural Conservation Program payment will be made. In such instance, the borrower will be required to assign to the Farmers Home Administration all or that portion of the Agricultural Conservation Program payment to be earned for practices for which Soil and Water Conservation loan funds are advanced. Such payments will be applied on his Soil and Water Conservation account as a regular payment. However, assignments to the Farmers Home Administration need not be required when the estimated amount of the assignment likely will be \$100 or less.

(xii) Paying real estate liens, open accounts, or other debts existing at the time of loan closing, unless an exception is authorized by the State Director. The State Director may authorize the pay-

ment of debts incurred prior to loan closing, provided he finds that all of the following conditions exist: the debts were incurred after the applicant filed a written application for a loan, except that in the case of a subsequent loan to complete improvements previously planned, the debts were incurred after the initial loan was closed; the applicant is unable to pay such debts from his own resources or to obtain credit from other sources, and failure to authorize the use of Soil and Water Conservation funds to pay such debts would impair seriously the applicant's financial position; the debts were incurred for authorized Soil and Water Conservation loan purposes; and the materials purchased and the work done conform with plans approved by the Farmers Home Administration.

(c) *Eligibility.* (1) Before a Soil and Water Conservation loan is made to an individual, the applicant must:

(i) Be a citizen of the United States, or a corporation organized under appropriate State or Federal laws.

(ii) Possess legal capacity to contract for the loan.

(iii) Be a farm owner or operator.

(iv) Be without sufficient resources to pay for the proposed improvements and unable to obtain the necessary credit on reasonable terms and conditions from private or cooperative credit sources available in the area. Joint owners or operators may qualify as individuals or jointly for Soil and Water Conservation loans, provided that they are without sufficient resources to finance the necessary improvements and are unable to obtain the necessary credit from other sources upon terms and conditions which they reasonably could be expected to fulfill.

(v) Plan to improve a farm with the Soil and Water Conservation loan on which farming operations are conducted, or will be, after the improvements are made, on a scale at least equal to the size of operations conducted in the area by persons primarily engaged in farming.

(vi) Have had farm experience or training sufficient to indicate reasonable prospects of conducting successful farming operations, unless he is a nonoperating owner.

(vii) Satisfy the County Committee and loan approval officials that he will endeavor honestly to carry out the undertakings and obligations required of him in connection with a loan.

(viii) If he is a tenant, have a satisfactory written lease for a sufficient period of time and under terms that will enable him to obtain reasonable returns on the improvements made with the Soil and Water Conservation loan. In addition, the lease or a separate agreement must provide for compensating the tenant for any unexhausted value of the improvement upon termination of the lease.

(2) Before a loan can be made to an applicant for whom debts have been settled by the Farmers Home Administration as reflected by the County Office records, or where such a settlement is contemplated, it must appear conclusively that the applicant's failure to pay his loan indebtedness was the result of

circumstances beyond his control; the causes which necessitated the debt settlement, other than weather hazards, disasters, or price fluctuations, have been removed; and the borrower's operations will be sound and afford him a reasonable prospect of repaying the loan and meeting his other obligations.

(d) *Rates and terms.*—(1) *Interest rates and loan insurance charges.* (i) For insured Soil and Water Conservation loans, the interest rate will be three and one-half percent ($3\frac{1}{2}\%$) per year on the unpaid principal. However, the Administrator and individual lenders may agree on the making of these loans at a lower interest rate. In addition, each insured loan borrower will pay an annual loan insurance charge computed at the rate of one percent per year on the unpaid principal.

(ii) For direct Soil and Water Conservation loans the interest rate will be four and one-half percent ($4\frac{1}{2}\%$) per year on the unpaid principal.

(2) *Repayments.* Each Soil and Water Conservation loan will be scheduled for repayment within the shortest period consistent with the ability of the borrower to pay. No loan secured only by a chattel lien will be scheduled for repayment over a period which exceeds the anticipated useful life of the security. In no case will the repayment period exceed 20 years from the date of the first installment.

(i) Payments will be scheduled annually on January 1st.

(ii) Soil and Water Conservation loans will be amortized in equal annual installments, except that:

(a) When the loan is closed late in the crop year, the initial installment may be for an amount equal to the interest to become due from the date of the note to the next January 1st.

(b) The final installment will include all unpaid principal and interest.

(c) Principal repayments may be deferred for the first or the first two full crop years when major improvements are planned in connection with the Soil and Water Conservation loan, and the borrower's estimated net income after paying necessary expenses is insufficient to pay more than the interest due for these years. If the payments for the first one or two full crop years are equal only to interest, the succeeding installments will be determined by amortizing the unpaid balance over the remaining period of the loan.

(iii) Each Soil and Water Conservation borrower may make payments in any amount at any time. If the regular payments exceed the cumulative amount due on the note, such excess payments will be applied on installments next to become due in future years. In the case of insured loans, no payment will be made from the insurance fund to the holder of the note unless the cumulative amount of regular payments made on the note is less than the cumulative amount due as of January 1st.

(iv) Payments, other than amounts owed the insurance fund, made on an insured Soil and Water Conservation loan will be credited to the borrower's account as of the date the payment is

remitted to a holder of the note. Payments made during a calendar quarter will be remitted to the holder of the note at the end of the quarter, except when payments received in the Finance Office during a calendar quarter aggregate \$200 or more they will be remitted to the holder, and payments of past-due amounts on the note received in the Finance Office before the holder is paid from the insurance fund will be remitted to the holder.

(3) *Refinancing Soil and Water Conservation loans.* Each borrower will be required to refinance the unpaid balance of his Soil and Water Conservation loan when he is able to obtain a loan for this purpose at reasonable rates and terms from a responsible private or cooperative source of credit.

(e) *Loan limits.* No Soil and Water Conservation loan may be made to any individual which will result in the principal indebtedness of the individual for Soil and Water Conservation loans (including prior Water Facilities loans) exceeding \$25,000. The total amount of loans to individuals who own or operate a farm jointly also is limited to \$25,000 principal indebtedness for Soil and Water Conservation loans (including prior Water Facilities loans).

(f) *Security requirements.*—(1) *General.* All Soil and Water Conservation loans will be secured in a manner which adequately will protect the interest of the Government.

(i) Loans to be repaid in not more than seven years from the date of the first installment may be secured by a lien on either real estate or chattel property or both.

(ii) Loans to be repaid in more than seven years from the date of the first installment ordinarily will be secured by the best lien obtainable on the farm to be improved. When necessary, a lien also may be taken on other real estate or on chattel property as additional security.

(iii) Loans also may be secured by pledges or assignments of water stock, irrespective of the number of years over which the loan will be repaid.

(2) *Chattel property.* A lien may be taken on selected items of chattel property when such a lien will not interfere seriously with the applicant's obtaining needed operating credit.

(i) When only a chattel lien is taken as security for a Soil and Water Conservation loan, it ordinarily will be a first lien. In an exceptional case a lien subject only to the lien held by one other creditor or the Farmers Home Administration may be taken on chattel property, provided all of the following conditions exist:

(a) The Soil and Water Conservation indebtedness of the borrower will not exceed \$1,500.

(b) The Soil and Water Conservation loan will be repaid in not more than three years from the date of the first installment.

(c) The applicant clearly has equity in the chattels to be given as security in excess of the amount of the Soil and Water Conservation loan.

(ii) When only a chattel lien is taken as security for a Soil and Water Conservation loan, a first lien will be taken on major items of machinery or equipment purchased with loan funds.

(iii) In some States original notes evidencing Soil and Water Conservation loans cannot be scheduled for payment over the payment periods which may be needed by some applicants because chattel liens in those States are not valid for that period of time. The State Director for such a State will develop a State Instruction for taking a chattel lien as security for a loan to be repaid within a period longer than the period for which a chattel lien is valid in the State.

(3) *Real estate.* (i) When real estate is taken as security and the value of the security is adequate to secure the Soil and Water Conservation loan, a chattel lien need not be taken.

(ii) When real estate is taken as security and the value of the security is not adequate to secure the Soil and Water Conservation loan, the best lien obtainable will be taken on selected items of chattel property as additional security, except in such cases a first lien will be taken on chattel property purchased with loan funds.

(iii) When real estate is taken as security and the applicant owns or will acquire water rights, a lien will be taken on such rights. When the right to receive water is represented by stock or membership in an association, such stock or membership will be assigned or pledged in addition to the lien on real estate.

(4) *Water stock.* When a loan is made only for the purchase of shares of water stock, such stock will be pledged or assigned as security for the loan. No other security may be required if the stock represents a right to receive water for irrigation purposes, if it can be resold readily by the pledgee or assignee, and if the purchase price is no greater than the price at which stock in the particular company is normally sold.

(5) *Special requirements.* (i) All liens on real estate will be taken subject to the title requirements of Soil and Water Conservation loans to individuals.

(ii) A lien will be taken also on the rights-of-way and easements owned or acquired by the borrower for use in connection with the proposed improvement or facility, if it is necessary to do so in order to protect adequately the Government's financial or security interests. For example, if a mortgage is taken on a farm, the mortgage should include any rights-of-way appurtenant thereto or to be used in connection therewith. Likewise, if a mortgage is taken on a pipeline located on a right-of-way, a mortgage will also be taken on the right-of-way. Applicants will obtain partial releases or consents to easements and rights-of-way across privately owned tracts of land from any holder of outstanding liens disclosed by title evidence.

(iii) When a junior lien is taken on real estate, the prior mortgage must not contain future advance provisions, repayment schedules that the borrower cannot meet in addition to repaying his Soil and Water Conservation loan, or any other provisions which might jeopardize

the security position of the Government and the borrower's ability to repay the Soil and Water Conservation loan, unless the creditor agrees to modify, waive, or subordinate the undesirable features of his mortgage. The prior lien must be properly recorded and permit assignment or transfer. In States where a prior mortgage holder may foreclose his mortgage without giving the Government actual notice of foreclosure, a junior lien on real estate will be taken as security for a Soil and Water Conservation loan only if the prior mortgage holder executes an agreement to give the Government actual notice of the commencement of foreclosure proceedings.

(iv) If the borrower is a purchase contract holder, his farm may be accepted as security for a Soil and Water Conservation loan if, under the terms of his contract, he has a mortgageable interest in his property, the contract is not subject to summary cancellation upon default, and it meets the other requirements outlined in the preceding subdivision.

(v) When a Soil and Water Conservation loan is to be secured by jointly-owned property and the loan is made to one or more of the joint owners, all of the joint owners will be required to execute the Soil and Water Conservation mortgage, but only the person or persons receiving the loan will be required to execute the note.

(vi) When a loan is made to a corporation engaged in farming, the Soil and Water Conservation note and mortgage will be executed by the appropriate officials on behalf of the corporation and, in order to evidence their personal obligation for the debt, the note will be executed by each person holding as much as ten percent of the stock in the corporation.

(g) *Loan approval authority.* State Directors are authorized to approve Soil and Water Conservation loans to eligible applicants if they meet administrative requirements. The State Director is authorized to redelegate loan approval authority to:

(1) Qualified State Office employees, provided the borrower's principal indebtedness for Soil and Water Conservation loans (including prior Water Facilities loans) will not exceed \$12,000.

(2) Qualified County Supervisors, Assistant County Supervisors, and County Supervisor-Appraisers, provided the borrower's principal indebtedness for Soil and Water Conservation loans (including prior Water Facilities loans) will not exceed \$7,000.

(h) *Supervisory assistance.* Normally supervisory assistance will be extended only to those borrowers who receive loans for the purpose of financing major land-use adjustments and extensive reorganization of the farm business. It will be the responsibility of the County Supervisor, with the advice of the County Committee, after careful analysis of the needs of each Soil and Water Conservation applicant, to determine which borrowers will receive supervisory assistance. Those borrowers who receive supervision will prepare, with the assistance of the County Supervisor, annual and long-time farm and home plans, keep farm and home rec-

ords, receive follow-up supervisory visits, and participate in the year-end analysis in the same manner as other Farmers Home Administration-supervised borrowers. Supervised and nonsupervised loans will be adequately serviced for the purpose of seeing that loan funds are properly used and that the interests of the Government are fully protected.

(i) *Technical assistance.* Applicants will be responsible for obtaining the technical assistance necessary to plan, install, construct, or establish the improvement or facility required or recommended in connection with the loan for which they apply. They will also be responsible for obtaining and submitting to the County Supervisor for review and approval all necessary planning material such as maps, designs, material lists, specifications, cost estimates, and proposals.

(1) Whenever possible, applicants will pay with personal funds the cost of any technical service performed by other than Farmers Home Administration employees in connection with their proposed facility or improvement, if a charge is made for such services. If this cannot be done, the estimated cost of such service may be included in the loan.

(2) The County Supervisor will advise the applicant regarding the technical assistance available through local, State and Federal agencies, and private individuals and firms that perform the type of work to be done.

(j) *Appraisals.* For each Soil and Water Conservation loan secured by a lien on the farm to be improved, the County Committee will certify as to the normal market value of the farm, after the contemplated improvements are made.

(k) *Insurance requirements.* (1) When a Soil and Water Conservation loan is secured by a first mortgage on real estate, buildings on the property will be insured in accordance with the applicable procedures for Farm Ownership loans.

(2) When a Soil and Water Conservation loan is secured by a junior lien on real estate, buildings on the property will be insured in accordance with the applicable procedures for Farm Housing loans.

(3) When a Soil and Water Conservation loan is secured by a mortgage on chattels, and the loss of such chattels would seriously jeopardize the interests of the Government, the County Supervisor may require the borrower to insure the chattels against hazards customarily covered by insurance in the area.

(l) *Group service participation loans.* When the construction, repair, or use of a facility best can be accomplished through joint ownership by several individuals, a loan may be made to individual applicants to participate in the joint ownership of the facility. Such a jointly-owned facility will be referred to as "group service," and will be limited to small groups, usually not more than three or four, when it is not practical for them to incorporate. Group service loans will be subject to the same general policies as other loans to individuals, except that:

(1) If a lien is taken on any group service borrower's real estate, to which the joint-owned facility is essential and is a part of the real estate improvement, whether or not located on the farm, the lien taken will cover such borrower's undivided interest in the facility.

(2) Borrowers who obtain loans to participate in a group service which involves acquisition of chattel property will secure their respective loans in accordance with the policies applicable to securing loans to individuals. If an individual loan cannot be adequately secured without taking a mortgage on the property to be purchased, a first mortgage executed by all participants in the group service may be taken on the purchased property as additional security.

§ 351.3 Loans to associations—(a) Definition. The term "association," as used in reference to Soil and Water Conservation loans, includes nonprofit incorporated water users associations, mutual water and drainage companies, irrigation and drainage districts, soil conservation districts, grazing associations, and any similar organizations that provide to their members services and facilities directly related to soil conservation, water conservation and use, and drainage of farm land.

(b) *Use of loan funds.* Soil and Water Conservation loans may be made to associations for the purposes outlined in procedures for loans to individuals, and in addition:

(1) Loans may be made for the purchase of any type of equipment and machinery needed for the construction, installation, operation or maintenance of facilities or services directly related to soil conservation, water conservation and use, or drainage of farm land, and used for the benefit of farmers served by the association, provided the equipment is not available at a reasonable cost or the cost of the service will be lower as a result of such purchase.

(2) In the case of a water users or drainage association, loan funds may be used only to pay for the installations needed to deliver water to or drain water from the users' property line or other designated point on the association's system.

(3) Loan funds may be used to refinance debts of an association when all of the following conditions exist:

(i) The indebtedness being refinanced is secured by a lien on an existing facility.

(ii) The Soil and Water Conservation loan is being made for the enlargement, extension, or rehabilitation of an existing facility.

(iii) Arrangements cannot be made with the present lienholder to extend, subordinate, or modify the terms of the security instruments in order to provide a satisfactory basis upon which the Soil and Water Conservation loan may be made.

(iv) The amount to be used for refinancing is an incidental part of, and never more than fifty percent of, the total of the Soil and Water Conservation loan funds being advanced. In addition, the amount advanced for refinancing

may not exceed the value of the existing encumbered facility or the cost of replacing it, whichever is less.

(c) *Eligibility.* In order to be eligible for a Soil and Water Conservation loan, an association must:

(1) Be engaged primarily in extending to farmers services directly related to soil conservation, water development, conservation and use, or drainage of farm land.

(2) Be without sufficient funds to carry out the purposes for which the loan is requested and be unable to obtain such funds by levying special assessments or charges on its members, or borrowing on reasonable terms and conditions from private or cooperative credit sources.

(3) Have the legal capacity necessary for obtaining, giving security for, and repaying the loan, and for operating the facility or service to be financed with the Soil and Water Conservation loan.

(4) Contribute to any facility or improvement to the extent practicable. Active associations whose net worth at the time of application is less than ten percent of the amount of the loan will be required to make contributions at least equal to the difference between their net worth and ten percent of the loan. Associations which have not been actively operating during the twelve months preceding the date of their application will be required to make contributions at least equal to ten percent of the loan. These contributions may be made by furnishing such items as funds, labor, materials, or equipment.

(5) Be financially sound and so organized and managed that it will be able to provide efficient service to its members.

(6) Be a nonprofit organization.

(d) *Rates and terms.* The rates and terms for Soil and Water Conservation loans to associations are the same as those for loans to individuals, except that association loans may, in exceptional cases, when the association will be unable to repay the loan within twenty years from the due date of the first installment, or less, be repaid over a longer period, but not more than forty years from the due date of the first installment.

(e) *Loan limits.* No Soil and Water Conservation loan may be made to any association which will result in the principal indebtedness of the association for Soil and Water Conservation loans (including prior Water Facilities loans) exceeding \$250,000.

(f) *Security requirements.* All Soil and Water Conservation loans to associations will be secured in a manner which adequately will protect the interest of the Government.

(1) A first lien, if obtainable, will be taken on real and personal property, exclusive of easements, rights-of-way, and water rights, owned by the applicant at the time the loan is approved. If a first lien is not obtainable, junior liens on such property may be taken.

(2) A first lien will be taken on real and personal property acquired with loan funds exclusive of easements, rights-of-way, and water rights.

(3) A lien will be taken on the interest of the applicant in all easements, rights-of-way, and water rights used in connection with the facility. In some

instances such easements or rights-of-way will involve private lands, and will not be derived pursuant to State statutes authorizing the installation of water or irrigation works across lands of other owners. In such cases, associations will obtain partial releases or consents to such easements and rights-of-way from holders of outstanding liens which are disclosed by real estate lien searches covering a period of at least ten years prior to the execution of the easements and rights-of-way.

(4) Assignments of association income will be taken as additional security, if legally permissible.

(5) Bonds creating liens on lands served by an association having Governmental or quasi-Governmental functions such as irrigation or drainage districts, may be accepted in lieu of liens on the kinds of property listed above, provided:

(i) Statutes do not confer upon such associations the authority to mortgage the facilities operated by them and to assign income from that part of assessments, taxes, or charges levied to repay the loans; and

(ii) All statutory requirements pertaining to the authorization, sale, and acceptance of the bonds are met.

(6) Promissory notes, stock or membership subscription agreements, or other evidences of debt, as well as security instruments mortgaging the private property of members of the association may be taken or assigned to the Government as additional security in any case in which the interest of the Government will not be adequately protected by taking all other available specified security.

(g) *Loan approval authority.* In the seventeen Western States in which Water Facilities loans were previously authorized, State Directors are authorized to approve Soil and Water Conservation loans to associations, provided the borrower's principal indebtedness for Soil and Water Conservation loans (including prior Water Facilities loans) will not exceed \$50,000. In such States, with respect to loans in excess of \$50,000, and in all other States, Alaska, Hawaii, Puerto Rico, and the Virgin Islands, State Directors are authorized to approve all Soil and Water Conservation loans to associations on an individual case basis, after review by the National Office of a report on Association Application prepared in accordance with procedures for making Soil and Water Conservation loans to associations.

(h) *Technical assistance and servicing.* (1) The cost of technical assistance needed to plan, design, install, construct, or establish a facility service must be borne by the association. The Farmers Home Administration may provide technical assistance in connection with preliminary determinations regarding engineering feasibility, economic soundness, and cost estimates.

(2) Plans, specifications, and cost estimates will be reviewed and approved by the Farmers Home Administration prior to authorizing the purchase of material or beginning construction. Contracts to be entered into by associations for the construction, repair, improvement, or operation of facilities financed with Soil

and Water Conservation loan funds also will be subject to approval.

(3) Associations will be responsible for providing adequate supervision of construction, operation, and maintenance of their facilities. The Farmers Home Administration may render technical advice and instruction to supervisory employees or members of the association. Periodic and final inspections of construction work on association facilities will be arranged for or made by the Farmers Home Administration in order properly to control the disbursement of loan funds.

(4) When for any reason a loan cannot be made to an association and debts have been incurred for the purpose of planning and investigating the proposed facility, then the association must be prepared to pay this indebtedness from other sources.

(5) The County Supervisor will be responsible for servicing loans to associations to the extent necessary to determine that the interests of the Government are adequately protected, and that the associations are following sound business practices and properly rendering the service for which they received Farmers Home Administration assistance.

(i) *Insurance requirements.* After considering the recommendations of the loan approval officer, the officers of the association, and the prevailing customs in the area, the State Director will determine the amounts and types of insurance each association will carry.

(1) Fire and extended coverage will be required on all buildings given as security for the loan, and association-owned machinery housed therein.

(2) If the association owns trucks, tractors, or other vehicles that frequently are driven over public highways, public liability and property damage insurance will be required.

(Sec. 8, 68 Stat. 735, 16 U. S. C. 590x-1)

§ 351.4 *Use of supervised bank accounts.* Soil and Water Conservation loan funds and any funds furnished by the borrower to supplement the loan will be deposited in a supervised bank account when required in accordance with Farmers Home Administration procedures governing supervised bank accounts.

§ 351.5 *Subsequent loans.* Subsequent Soil and Water Conservation loans may be made under the same policies and procedures as initial loans.

§ 351.6 *Area determinations.* (a) It will be the responsibility of the State Director to determine if there are any areas in the State where the development of ground water for irrigation purposes, either by pumping or artesian flow, or the drainage of farm land is not recommended. The State Director will make this determination with the advice of the Director of the State Agricultural Extension Service, the State Conservationist for the Soil Conservation Service, the State Chairman of the Agricultural Stabilization and Conservation Service and the State Geologist or Engineer, or officials of the U. S. Geological Survey, School of Mines, or any State Water Board, State agency, or person having official functions relating to use

of water or drainage of farm land. The State Director will issue a State Instruction specifying the areas in which available information indicates conclusively that irrigation development or drainage is not advisable.

(b) If a demand exists for Soil and Water Conservation loans to drain farm land or to develop ground water for irrigation in an area in which further study is needed before such loans are made, the State Director will obtain or develop additional pertinent information regarding the economic feasibility of developing ground water for irrigation or installing drainage facilities. In making this further study, he will obtain, to the extent possible, the assistance of qualified technicians with local, State, and Federal agencies. Farmers Home Administration Engineers, when available, may assist with such studies.

(c) If upon completion of the study the State Director finds that irrigation ground water can be developed, or farm land can be drained successfully in the area, or that loans for new facilities should be prohibited in the area, he will amend the State Instruction accordingly. If at any time it becomes evident that Soil and Water Conservation loans for irrigation ground water development or drainage should be prohibited in a previously authorized area or permitted in a previously restricted area, appropriate changes will be made in the State Instruction.

PART 352—PROCESSING LOANS TO INDIVIDUALS

- Sec.
- 352.1 Loan forms and routines.
- 352.2 Loan approval or disapproval.
- 352.3 Procedures between loan approval and loan closing.
- 352.4 Loan closing.
- 352.5 Post loan closing actions.
- 352.6 Loans to homestead entrymen.
- 352.7 Loans to contract purchasers on reclamation projects.

AUTHORITY: §§ 352.1 to 352.7 Issued under R. S. 161, 5 U. S. C. 22; sec. 6 (3), 50 Stat. 870; 16 U. S. C. 590w (3); sec. 10 (a) (7), 68 Stat. 735, 16 U. S. C. 590x-3. Interpret or apply secs. 2 (3), 5, 50 Stat. 869, 870; 16 U. S. C. 590s (3), 590v; secs. 9, 10, 68 Stat. 735, 736; 16 U. S. C. 590x-2, 590x-3. Additional statutory provisions interpreted or applied are cited to text.

§ 352.1 *Loan forms and routines—(a) General.* When it appears that an applicant is eligible for an individual Soil and Water Conservation loan, the County Supervisor will prepare Form FHA-197A, "Report on Application for Loan," for each applicant who will not receive supervisory assistance. If it is determined that the applicant will receive supervisory assistance in connection with his Soil and Water Conservation loan, or if he is an active supervised borrower, Form FHA-14A, "Long-Time Farm and Home Plan," and Form FHA-14, "Farm and Home Plan," will be used.

(b) *County committee certification.* (1) When adequate information on the proposed loan has been assembled, the County Supervisor will present it to the County Committee for a determination as to the eligibility of the applicant for a Soil and Water Conservation loan.

(2) If the applicant's farm will be taken as security for the loan, the County Committee also will determine the normal market value of the farm, after the contemplated improvements are made.

(c) *Special items in preparation of docket—(1) Plans and cost estimates.* The applicant is responsible for furnishing to the County Supervisor sufficient information to fully describe the planned improvements and the manner in which they will be accomplished. Included will be such applicable items as maps, drawings, specifications, material lists, cost estimates, information regarding water supply, water requirements, water rights, easements, and rights-of-way, and other basic data that will enable the County Supervisor to evaluate the proposed improvements to be financed with the Soil and Water Conservation loan. If the loan includes funds for land leveling or drainage, the map of that portion of the farm to be improved should show existing and proposed conditions with respect to topography, irrigation or drainage facilities, direction of flow, and field arrangements. In such instances, the map or supplementary statement should include applicable information regarding the soil types, depth of topsoil, depth of hardpan, rock, or gravel, alkali conditions, and rate of infiltration.

(2) *Form FHA-446, "Agreement with Prior Lienholder."* Form FHA-446 will be used in connection with any Soil and Water Conservation loan made subject to an existing real estate lien when, because of the repayment terms of the prior lien, objectionable provisions in the prior lien such as future advance clauses, or for other reasons it would be unduly hazardous for the Government to insure or make a junior mortgage loan without the additional protection of the agreement with the prior lienholder.

(3) *Foreclosure notice agreements.* In States where a prior mortgage holder may foreclose his mortgage without giving the Government actual notice of foreclosure, the approval of Soil and Water Conservation loans to be secured by junior liens on real estate will be conditioned on the prior mortgage holder's executing an agreement whereby the Government will be given actual notice of the commencement of foreclosure proceedings. The State Director will prepare an appropriate form of notice agreement and will issue a State Instruction regarding its use. If the recordation of such an agreement is necessary to bind assignees of the prior mortgage holder, it will be recorded at the expense of the Soil and Water Conservation borrower at the time of loan closing.

(4) *Form FHA-87, "Report of Lien Search."* Whenever a chattel lien will be taken as security for a Soil and Water Conservation loan, Form FHA-87 or similar form will be prepared in accordance with the State Instruction prescribing the use of such a form for Production and Subsistence loans.

(5) *Form FHA-259, "Severance Agreement."* Whenever a chattel lien will be taken on property which is or will be

come attached to the real estate and a real estate lien will not be taken, severance agreements will be obtained on Form FHA-259. Form FHA-259 will be executed not later than the date on which the property purchased with loan funds is delivered to the farm.

(6) *Form FHA-260, "Supplement to Lease or Purchase Contract."* This form or a form containing similar provisions will be used whenever the terms of an applicant's lease or purchase contract are not satisfactory and do not provide for reimbursement for real estate improvements made by the tenant or purchase contract holder.

(7) *Corporations engaged in farming.* If the applicant is a corporation engaged in farming, it will furnish a copy of its articles of incorporation and bylaws, a financial statement and, if necessary, a resolution authorizing the officers to obligate the corporation for the Soil and Water Conservation loan.

(d) *Title evidence required in connection with real estate security.* (1) Whenever real estate will be taken as security, the applicant should furnish the County Supervisor with a copy of his deed or purchase contract and any mortgage or other lien on the property offered as security. If water stock is being offered as security for the loan, the applicant should furnish the stock certificate. These documents should be available at the time the loan docket is prepared.

(2) An applicant for a Soil and Water Conservation loan will be required to furnish an opinion of title to the real estate offered as security unless the Administrator has authorized the use of other title evidence and method of title approval. Ordinarily, an applicant will be required to furnish evidence after the County Committee has executed the Form FHA-121. The applicant's title must be a merchantable title, subject only to such outstanding liens as the loan approval official determines the applicant can pay along with the Soil and Water Conservation loan and such other outstanding interests as will not interfere with the purposes of the loan and the Government's security. The title evidence shall also show the applicant's title to or interest in any water right. The applicant will be responsible for paying all costs of obtaining title evidence and any necessary curative work.

(3) The opinion of title will be prepared by an attorney designated by the Farmers Home Administration to prepare such opinions and assist in closing Soil and Water Conservation loans (hereinafter referred to as designated attorney) who is actively engaged in the practice of law in the locality. The opinion of title will be based upon an examination of the public records or a current abstract of title, whichever may be the practice in the community. If based on an abstract of title, the abstract and abstractor's certificate must cover all matters of record affecting the titles for the period of time required. If the abstractor's certificate or certificates are limited in any way, they must be supplemented by the designated attorney's own examination of records or other

competent evidence of title. The designated attorney's opinion of title shall set forth the condition of the title of the applicant to the land, the manner in which title was acquired, and shall list all unreleased mortgages, judgments, unpaid taxes, liens or other encumbrances, pending suits, reservations, exceptions, leases, easements, and any other outstanding interest. The length of time covered by the title search and opinion will be the shortest period immediately preceding the date thereof necessary to include a conveyance which has been of record for at least 40 years, except that: if there is a conveyance of the property from the United States in the chain of title within such period, or if a certificate of title or title insurance was obtained on the property in connection with a Farm Ownership, Farm Housing, or Soil and Water Conservation loan from the Farmers Home Administration, the certificate or report need only cover the period subsequent to the latest such conveyance of the property or issuance of such certificate of title or title insurance. However, when the period of search extends back to the date of the issuance of a patent or a deed executed by the United States pursuant to the homestead or reclamation laws, the opinion of title must show any outstanding liens recorded prior to the issuance of the patent or execution of the deed and within the maximum period of search.

(4) The designated attorney will also advise the County Supervisor on matters concerning prior lien instruments and the legal phases of closing the loan, and give a final opinion. The final opinion will show, among other things, that the mortgage securing the Soil and Water Conservation loan has been properly filed for record and that there are no liens intervening or other instruments of record adversely affecting the title since the date of the preliminary examination. The borrower is responsible for obtaining curative evidence, deeds, or affidavits required in the preliminary opinion prior to loan closing.

§ 352.2 Loan approval or disapproval.

(a) When a loan is approved, the loan approval official will indicate on all copies of Form FHA-476 or attachment, any condition that must be met before the loan is closed and specify the security requirements that the applicant will need to meet, such as a first real estate lien or a junior lien subject to certain prior liens, a lien on specified items of chattel property, water rights, and so forth. If in such a case the other approval conditions apparently can be met, the borrower will be advised to obtain an opinion of title. When satisfactory title evidence has been obtained, the County Supervisor will proceed with processing the loan. If the opinion of title was not included in a loan docket which was prepared for approval and the opinion of title, when obtained, does not conform with the conditions specified by the approval official, the docket will be reconsidered by the loan approval official.

(b) If a loan submitted to the State Field Representative or the State Director is not approved, the loan docket

will be returned to the County Supervisor with a letter explaining the reasons for the action and, when possible, suggest appropriate corrective actions. When a loan is disapproved finally, the County Supervisor will notify the applicant of the disapproval of the loan and the reasons therefor.

§ 352.3 *Procedures between loan approval and loan closing—(a) Meeting loan approval conditions and ordering check.* After a Soil and Water Conservation loan has been approved, the County Supervisor will notify the applicant of the approval and of any special conditions with which he must comply before the loan can be closed. As soon as all such special approval conditions have been met, the required legal work, such as curing title defects and establishing water rights, has been completed in accordance with the instructions furnished by the designated attorney, and the borrower has indicated that he is ready to use the loan funds, the County Supervisor will order the loan check.

(b) *Handling loan checks.* (1) The lender or his representative may present the check for an insured loan at the time the loan is closed, or, if desired, the check may be mailed to the County Supervisor. If, for any reason, a loan check cannot be delivered to the borrower, it will be returned to the lender with a request for cancellation. When a loan check is lost or destroyed, the County Supervisor will immediately notify the lender. If the borrower desires that a new check be issued, the lender will be requested to issue a new check.

(2) If the loan check is to be deposited in a supervised bank account, this will be done on the date of loan closing in accordance with supervised bank account procedures.

(c) *Cancellation of loan.* Whenever an insured Soil and Water Conservation loan is cancelled, if the check has been received, it will be returned to the lender with an explanatory letter.

§ 352.4 *Loan closing—(a) General.* When the applicant has complied with any loan approval conditions to be met at the time of loan closing and the check has been received, the County Supervisor will arrange to close the loan as soon as possible.

(b) *Authority to execute, file, and record legal instruments.* Properly bonded County Office employees are authorized to execute and file or record any legal instruments necessary to obtain or preserve security for Soil and Water Conservation loans. This includes mortgages and similar lien instruments, as well as affidavits, acknowledgments, and other certifications (when the mortgagee must execute such certification under State law).

(c) *Preparation of promissory note.*

(1) The note will be prepared and completed at the time of loan closing. Form FHA-965, "Promissory Note (Soil and Water Conservation Insured Loan)," will be used for insured loans, and Form FHA-966, "Promissory Note (Soil and Water Conservation Loan)," will be used for direct loans.

(2) The County Supervisor is authorized to sign the insurance endorsement

on Form FHA-965. The State Director also is authorized to sign the insurance endorsement.

(3) The applicant's spouse will be required to execute the note when (i) legally required by State law, or (ii) the designated attorney determines that the signature is needed because of the spouse's interest in the farm or other property being offered as security, or (iii) the State Director determines, on a State basis, that the spouse's signature will be required.

(4) Payments on Soil and Water Conservation loans will be scheduled in equal annual installments computed by multiplying the amount of the loan by the applicable amortization factor, except that:

(i) If the loan is closed late in the crop year and the borrower is not able to pay a full amortized installment the first year, the first installment may be for an amount equal to the interest on the loan from the date of loan closing to the next succeeding January 1.

(ii) Principal payments may be deferred for the first full crop year or for the first two crop years in accordance with Part 351 of this subchapter.

(d) *Property insurance.* When there are insurable buildings on the real estate given as security for a Soil and Water Conservation loan, the borrower at the time of loan closing will provide adequate property insurance coverage. If the Soil and Water Conservation loan is secured by a first mortgage, the insurance will be obtained in accordance with property insurance procedures under the Farm Ownership program, and if the loan is secured by other than a first mortgage the insurance will be obtained in accordance with procedures under the Farm Housing program, except that:

(1) In connection with an insured Soil and Water Conservation loan secured by a first mortgage, Form FHA-878, "Property Insurance Mortgage Clause," or other approved mortgage clause must contain the following payee designation: "United States of America (Farmers Home Administration) as agent of the lender and insurer and holder of the first mortgage."

(2) In connection with an insured Soil and Water Conservation loan secured by other than a first mortgage, Form FHA-878 or other approved mortgage clause must include the name of the "United States of America (Farmers Home Administration) as agent of the lender and insurer and holder of the mortgage" and all other mortgagees as their interest may appear on the form.

(e) *When liens on real estate, interest in real estate, or water rights are to be taken as security for the loan.* (1) When liens on real estate, interest in real estate, or water rights are to be taken as security for a loan, the designated attorney will be present at the loan closing.

(2) The designated attorney or the County Supervisor under the direction of the designated attorney, will prepare Form FHA-967, "Real Estate Mortgage," if the borrower is receiving an insured Soil and Water Conservation

loan, and Form FHA-76, "Real Estate Mortgage," if the borrower is receiving a direct Soil and Water Conservation loan. Whenever Form FHA-76 is used the words "but not exceeding the rate of five percent per annum" will be deleted in the refinancing clause. The completed mortgage forms will be reviewed and approved by the designated attorney prior to loan closing. All such deletions will be initialed by the borrower before the mortgage is executed.

(3) If water stock certificates are taken as security, they should be reissued in the name of the borrower and the Government.

(4) If at the time of loan closing any changes affecting the title appear since the date of the previous title opinion, the loan will not be closed until all necessary corrections have been made and it is determined that the proposed loan properly can be made.

(5) When the loan is closed, the mortgage recorded, and the designated attorney advises that all legal requirements have been met, the loan funds may be disbursed.

(f) *When chattel liens are taken as security.* When a chattel lien is taken as security for a Soil and Water Conservation loan, the loan will be closed in accordance with procedures for closing Production and Subsistence loans, except that:

(1) Soil and Water Conservation promissory notes will be used.

(2) Form FHA-968, "Chattel Mortgage," will be used for insured Soil and Water Conservation loans and Form FHA-30, "Crop and Chattel Mortgage," will be adapted for direct loans. Whenever Form FHA-30 is used, the words "but not exceeding the rate of five percent per annum" will be deleted in the refinancing clause. The provisions designed to create a crop lien also will be deleted in Form FHA-30. All such deletions will be initialed by the borrower before the mortgage is executed.

(g) *When both real estate and chattel liens are taken as security.* When both real estate security and chattel security are taken for a Soil and Water Conservation loan, a real estate lien and a chattel lien may be taken, or the real estate and chattel liens may be combined in one instrument, if permissible under State law, and if the combination of the liens will permit the taking of liens of the priority otherwise required.

(h) *Initial loan insurance charge.* The initial loan insurance charge will be collected at the time of loan closing from each applicant receiving an insured Soil and Water Conservation loan. The amount of such charge will be computed at the rate of one percent per annum of the principal amount of the loan for the period from the date of loan closing to the first January 1 thereafter. Such charge must be paid from the applicant's personal funds.

§ 352.5 *Post loan closing actions.* (a) The real estate or chattel mortgage will be delivered to the recording office for recordation or filing, as appropriate.

(b) A conformed copy of the mortgage will be delivered to the borrower.

(c) For an insured loan, the original of Form FHA-965 will be given or sent to the lender immediately after loan closing.

§ 352.6 *Loans to homestead entrymen.* This section provides additional policies and procedures applicable to the making of insured and direct Soil and Water Conservation loans to homestead entrymen whose loans are to be secured by real estate.

(a) *Authority.* Public Law 361, 81st Congress, authorizes the insuring and making of Soil and Water Conservation loans to eligible homestead entrymen on unpatented public lands including public lands within Federal reclamation projects and in Alaska in accordance with the provisions of the Water Facilities Act of 1937, as amended.

(b) *Cooperation between the Department of Agriculture and the Department of the Interior.* The extension of financial assistance authorized in paragraph (a) of this section will be facilitated through the cooperation of the Farmers Home Administration, the Bureau of Land Management, and the Bureau of Reclamation.

(c) *Special policies applicable to Soil and Water Conservation loans.* Soil and Water Conservation loans will not be made to applicants who lack the capital or credit resources necessary to provide a habitable dwelling within the statutory period prescribed for the establishment of residence and to make the other farm improvements essential to a sound farming operation. Soil and Water Conservation loans will not be made to applicants who expect to apply for a Farm Ownership loan to make additional farm improvements.

(d) *Patent requirements.* All homestead entrymen will be expected to comply promptly and fully with pertinent laws and regulations of the Department of the Interior relating to the issuance of a patent for a homestead entry. When applicable, reclamation proof must be filed by the borrower at the earliest possible date.

(1) *Residence requirements.* The entryman must establish residence upon the land entered within six months from the date of allowance of entry. When he has established residence, he should notify the Manager of the District Land Office by mail or otherwise. Under certain conditions additional time, not exceeding six months, may be allowed by the Bureau of Land Management. Residence must be maintained for a period of at least seven months during each of the first three years, except where credit is allowed for residence on account of military or naval service.

(2) *Final homestead proof.* Final proof must be filed within 5 years from the date of allowance of entry issued to the entryman by the Bureau of Land Management. A patent will not be issued by the United States until the entryman has submitted final proof. Final proof must show that a habitable house is on the land at the time proof is submitted, that residence requirements have been met, that the improvements are of such character as to show good faith, and that the entryman is a citizen of

the United States. A habitable dwelling within the meaning of the homestead laws is any permanent building or structure erected on the land entered which is suitable for, and actually occupied as, a dwelling as distinguished from other buildings. When the entryman borrower is ready to submit final proof, he should notify the District Land Office and request instructions regarding the procedure to be followed.

(3) *Reclamation proof.* Reclamation proof may be submitted with, or at any time after, the submission of homestead proof. In addition to the final homestead proof mentioned in subparagraph (2) of this paragraph, the filing of reclamation proof is required as a condition in obtaining a patent to any entry within a reclamation project. Reclamation proof must show reclamation and cultivation of at least one-half of the irrigable area in the entry for two years immediately preceding the date of submission of proof and the payment of all reclamation charges due at that time. Reclamation proof, in proper form, must be submitted to the District Land Office accompanied by the payment of final homestead commissions.

(e) *Loan processing.* Existing Soil and Water Conservation policies, procedures, and loan authorities will be followed, except as follows:

(1) *Applications—(i) Applications from homestead entrymen not in a Federal reclamation project.* An application for a Soil and Water Conservation loan from a homestead entryman entering public land not within a Federal reclamation project will be considered only after the entryman has selected a farm and received his allowance of entry from the Bureau of Land Management. The original document showing allowance of entry must be attached to Form FHA-197, "Application for FHA Services."

(ii) *Applications from homestead entrymen in a Federal reclamation project.* An application for a Soil and Water Conservation loan from a homestead entryman entering public land within a Federal reclamation project will not be considered until after the entryman has received a certificate of eligibility from the Bureau of Reclamation and has selected a farm. If at the time of making application the entryman has received his allowance of entry from the Bureau of Land Management, he will attach the original of such document to Form FHA-197. If the entryman has not received his allowance of entry, a copy of his certificate of eligibility must be attached to Form FHA-197. However, the docket will not be approved until the original document showing allowance of entry has been received from the applicant and placed in the loan docket.

(iii) *Supplemental information on applicant.* At the time of making application for a Soil and Water Conservation loan, the homestead entryman may be requested to authorize the Farmers Home Administration to secure from the Bureau of Land Management or the Bureau of Reclamation any available information concerning his application for homestead or reclamation entry which may be used by the Farmers Home

Administration in determining his eligibility for the loan.

(2) *Special items in development of Soil and Water Conservation loan dockets.* Loan dockets for loans to homestead entrymen will be prepared in accordance with §§ 352.1 to 352.5 except as modified by this subparagraph.

(i) *Development plan.* As used in this subdivision, the term "plan" refers to either Form FHA-14A, "Long-Time Farm and Home Plan," or Form FHA-197A, "Report on Application for Loan." When the entryman's farm is located in a Federal reclamation project, any development items listed on the plan must be consistent with the over-all plans for development of the reclamation project. If the development plans for the unit conflict with the over-all plans for the development of the Federal reclamation project, officials of the Bureau of Reclamation will so advise the County Supervisor. The processing of the loan will not be delayed while awaiting such advice from the Bureau of Reclamation.

(3) *Title clearance.* The entryman applicant will be required to furnish and pay for a certified statement prepared by a qualified title examiner (including designated attorneys) or abstractor which will include findings with respect to any outstanding land leveling contracts and any other claims of any kind on record against the entry.

(4) *Loan closing.* Soil and Water Conservation loans to homestead entrymen will be closed in accordance with § 352.4, except that forms in the series FHA-64, "Real Estate Mortgage by Homestead Entryman in _____ (Direct Soil and Water Conservation Loan)," and forms in the series FHA-442, "Real Estate Mortgage by Homestead Entryman in _____ (Insured Soil and Water Conservation Loan)," will be used.

(Sec. 1, 63 Stat. 883; 7 U. S. C. 1006a)

§ 352.7 *Loans to contract purchasers on reclamation projects.* This section provides additional policies and procedures applicable to the making of loans under the Water Facilities Act, as amended, and Public Law 361, 81st Congress, to farmers who are the holders of contracts to purchase farm units from the Bureau of Reclamation.

(a) *Policies.* The policies stated in Part 351 of this subchapter and the policies stated in this section will be followed in making Soil and Water Conservation loans to such contract purchasers.

(1) No loan will be made to a contract purchaser who is in default under his purchase contract or whose credit needs for farm development purposes, in order to place his farm unit in an operable and livable condition, cannot be met adequately under the Soil and Water Conservation and the Production and Subsistence loan programs.

(2) Payments of principal and interest on a Soil and Water Conservation loan to a contract purchaser may be deferred for a period of not to exceed 24 months from the date of the first advance under the loan. Such deferments, however, will not result in extending the

term of the Soil and Water Conservation loan beyond the repayment period prescribed in Part 351 of this subchapter. Deferred payments will be permitted only when farm and home plans covering the period of the deferment clearly demonstrate a lack of sufficient income to meet regular annual installments on the loan after the payment of (i) annual farm operating and family living expenses, (ii) the annual installments on the purchase contract and on any improvement debt created pursuant thereto, (iii) annual payments on chattel debts roughly equivalent to annual depreciation, and (iv) the cost of making minimum farm improvements or purchasing essential farm and home equipment and livestock agreed upon in the farm and home plan.

(3) When it is proposed to approve a loan to a contract purchaser who is acquiring a portion of his farm from the Bureau of Reclamation and a portion of it from some other party the loan docket will be referred to the National Office for review and advice as to the action which may be taken.

(b) *Loan making procedures.* Soil and Water Conservation loan dockets for contract purchasers will be prepared and processed in accordance with the provisions of §§ 352.1 to 352.5 as modified by this paragraph.

(1) *Borrower's authorization.* If requested to do so the applicant will give written authorization to the Farmers Home Administration to enable it to obtain from the Bureau of Reclamation information submitted by the applicant to that agency for use by it in determining his eligibility and qualifications for the purchase contract.

(2) *Docket preparation.* The County Supervisor will obtain from the applicant a copy of the purchase contract, and from the District Manager of the Bureau of Reclamation the following information for use in the preparation of a loan docket for the applicant:

(i) A statement of account showing the unpaid balance on the purchase contract, accrued unpaid interest, other charges owing to the Bureau of Reclamation, and the amount of any delinquency.

(ii) A report on any development and residence requirements which have not been met under the purchase contract and on any other default under the purchase contract.

(iii) A copy of the final opinion of the Bureau of Reclamation or the Department of Justice and a copy of the title insurance policy, if any, on the land, if it is acquired land.

(3) *Loan closing.* Each Soil and Water Conservation loan to a contract purchaser will be closed in accordance with the provisions of §§ 352.1 to 352.5 and the following:

(i) Before the loan is closed and the loan check is delivered:

(a) The County Supervisor will notify the District Manager of the Bureau of Reclamation in writing of the time and place of loan closing.

(b) The applicant will obtain the written consent of the Bureau of Reclamation to the making of the proposed loan.

(c) The applicant will have filed for record in the County Recorder's office a purchase contract entered into by him with the Bureau of Reclamation in form satisfactory to the Farmers Home Administration.

(d) Form FHA-185, "Real Estate Mortgage by Contract Purchaser in (Direct Soil and Water Conservation Loan)," and Form FHA-444, "Real Estate Mortgage by Contract Purchaser in (Insured Soil and Water Conservation Loan)," will be used in securing Soil and Water Conservation loans to contract purchasers on Reclamation projects.

(ii) The property insurance policy will cover the interests of the United States as they may appear under both the Soil and Water Conservation mortgage and the purchase contract.

(Sec. 1, 63 Stat. 883, sec. 2, 50 Stat. 869; 7 U. S. C. 1006a, 16 U. S. C. 590s)

PART 353—PROCESSING LOANS TO PARTICIPATE IN GROUP SERVICES

- Sec.
353.1 General.
353.2 Operating agreement.
353.3 Ownership and other rights.
353.4 Approval or disapproval of dockets.
353.5 Loan closing.

AUTHORITY: §§ 353.1 to 353.5 Issued under R. S. 161, 5 U. S. C. 22; sec. 6 (3), 50 Stat. 870, 16 U. S. C. 590w (3); sec. 10 (a) (7), 68 Stat. 735, 16 U. S. C. 590x-3. Interpret or apply secs. 2 (3), 5, 50 Stat. 869, 870; 16 U. S. C. 590s (3), 590v; secs. 9, 10, 68 Stat. 735, 736; 16 U. S. C. 590x-2, 590x-3.

§ 353.1 *General.* Loans to individuals to participate in a group service will be processed in accordance with authorities applicable to Soil and Water Conservation loans to individuals, except that plans and cost estimates will be based on the entire group service and loans to individuals to participate in the unincorporated group service will not be approved until the State Director has reviewed the preliminary plans and has concurred in the proposal to make Soil and Water Conservation loans to participate in the group service.

§ 353.2 *Operating agreement.* An operating agreement will be prepared which will outline the decisions of the group regarding the conditions of ownership and use of the facility, the rights and responsibilities of the users, and any other details needed to guide the management and operation of the group service. A simple written agreement usually will be sufficient; however, if the group service involves a complex operation an agreement similar to Form FHA-327A, "Agreement Between Joint-Owners," may be used.

§ 353.3 *Ownership and other rights.* All property to be acquired by the group should be owned jointly by all members. Title will be obtained to sites for such structures as buildings, pumps, wells, and storage reservoirs or tanks owned, or to be owned, by the group when such sites are or will be located on privately owned land or upon land owned by public agencies having the necessary authority to sell and convey land. Easements, conveying rights-of-way upon

which other structures and pipelines or ditches will be located, will be obtained from the owners of private lands traversed by the facility. In that connection, partial releases or consents to easements will be obtained from the holders of outstanding liens on the lands on which right-of-way will be acquired. When public lands are involved and the agency having jurisdiction cannot sell land and convey a title, permits, licenses, or franchises will be obtained from such agency.

§ 353.4 *Approval or disapproval of docket.* (a) The Group Service Docket, consisting of the plans, cost estimates, operating agreement, an estimate of the individual Soil and Water Conservation loan funds that will be needed by the members of the group, and a statement regarding the property or rights owned or to be owned by the group, will be forwarded, with the County Supervisor's recommendations, to the State Director. The State Director will review the docket and:

(1) Refer any legal questions to the representative of the Office of the General Counsel.

(2) If the aggregate amount of all Soil and Water Conservation loans to participate in the group service, including the unpaid principal balance of any prior Water Facilities loans for that purpose, exceeds \$50,000, the Group Service Docket, together with the recommendations of the County Supervisor and the State Director, will be forwarded to the National Office for review.

(3) If the State Director approves the group service, he will prepare an approval memorandum, including his recommendations and approval conditions, and send the letter with the Group Service Docket to the County Supervisor.

(b) Upon receipt of the group service approval letter, the County Supervisor will assemble the individual Soil and Water Conservation loan dockets for participating members who apply for Soil and Water Conservation loans. It will not be necessary to include in the loan dockets of individuals information on the group service that is included in the Group Service Docket.

(c) The Soil and Water Conservation loans to participants in the group service will be approved or disapproved in accordance with authorities applicable to Soil and Water Conservation loans to individuals.

§ 353.5 *Loan closing.* (a) The County Supervisor and the group service will follow the State Director's memorandum of approval and the instructions issued by the representative of the Office of the General Counsel for completing actions to be taken by the group service as a condition to the use of loan funds.

(b) Individual loans will be closed in accordance with procedures applicable to Soil and Water Conservation loans to individuals, including an opinion of title by the designated attorney, if required by the representative of the Office of the General Counsel.

(c) The loan checks may be endorsed to one member of the group and deposited in a single supervised bank account

subject to withdrawal on the signatures of the County Supervisor and a person designated by the group to sign checks.

Issued this 25th day of March 1955.

[SEAL] R. B. McLEAISH,
Administrator,
Farmers Home Administration.

[F. R. Doc. 55-2614; Filed, Mar. 29, 1955; 8:51 a. m.]

TITLE 8—ALIENS AND NATIONALITY

Chapter I—Immigration and Naturalization Service, Department of Justice

Subchapter B—Immigration Regulations

PART 212—DOCUMENTARY REQUIREMENTS FOR NONIMMIGRANTS: ADMISSION OF CERTAIN INADMISSIBLE ALIENS; PAROLE

DOCUMENTARY WAIVERS

The following amendments to Part 212 of Chapter I of Title 8 of the Code of Federal Regulations are hereby prescribed:

1. Paragraph (a) of § 212.3 is amended by adding a new subparagraph designated (7) so that, when taken with the introductory material, subparagraph (7) will read as follows:

§ 212.3 *Nonimmigrants not required to present passports, visas, or border-crossing identification cards.* (a) The provisions of section 212 (a) (26) of the act and of this chapter relating to the requirement of passports, visas, and border-crossing identification cards for nonimmigrants, have been waived on a reciprocal basis by the Secretary of State and the Attorney General, acting jointly, in pursuance of the authority contained in section 212 (d) (4) (B) of the act, in the cases of aliens (including alien crewmen) who fall within any of the following-described categories:

(7) A British subject who has his residence in Bermuda and who makes application for admission into the United States as a visitor for business or pleasure under the provisions of section 101 (a) (15) (B) of the act (i) from Bermuda; or (ii) from, and after a visit solely to, some place in foreign contiguous territory or adjacent islands; or (iii) from, and after a visit solely to, some place in the Western Hemisphere if such subject departed on a round-trip cruise from a port of the United States or Bermuda and has not transhipped from the original vessel or aircraft.

2. Paragraph (b) of § 212.5 is amended by adding a new subparagraph designated (4) so that, when taken with the introductory material, subparagraph (4) will read as follows:

§ 212.5 *Nonimmigrants required to present passports but not visas or border-crossing identification cards.* * * *

(b) The provisions of section 212 (a) (26) (B) of the act relating to the requirement of visas and border-crossing identification cards for nonimmigrants have been waived by the Secretary of

State and the Attorney General, acting jointly, in pursuance of the authority contained in section 212 (d) (4) (A) of the act, in the individual cases of aliens who fall within any of the following-described categories, which are hereby declared to be unforeseen emergencies within the purview of that section:

(4) An alien in the United States in a lawful nonimmigrant status who proceeds from a port in the United States to another port of the United States via the Canal Zone and who upon arrival in the United States from the Canal Zone is in possession of an expired nonimmigrant visa.

(Sec. 103, 66 Stat. 173; 8 U. S. C. 1103)

This order shall become effective on the date of its publication in the *FEDERAL REGISTER*. Compliance with the provisions of section 4 of the Administrative Procedure Act (60 Stat. 238; 5 U. S. C. 1003) as to notice of proposed rule making and delayed effective date is unnecessary in this instance because the rules prescribed by the order relieve restrictions and are clearly advantageous to persons affected thereby.

Dated: February 17, 1955.

J. M. SWING,
Commissioner of
Immigration and Naturalization.

[F. R. Doc. 55-2598; Filed, Mar. 29, 1955;
8:50 a. m.]

TITLE 19—CUSTOMS DUTIES

Chapter I—Bureau of Customs, Department of the Treasury

[T. D. 53765]

PART 6—AIR COMMERCE REGULATIONS

DESIGNATION OF CHICAGO MIDWAY AIRPORT, CHICAGO, ILLINOIS, AS TEMPORARY AIRPORT OF ENTRY

The Chicago Midway Airport, Chicago, Illinois, is hereby designated as an international airport for civil aircraft and for merchandise carried thereon arriving from places outside the United States, as defined in section 9 (b) of the Air Commerce Act of 1926 (49 U. S. C. 179 (b)), for a period of 6 months from the date of publication of this Treasury decision in the *FEDERAL REGISTER*.

Part 6 of the Customs Regulations is amended by adding a new § 6.14, reading as follows:

§ 6.14 *List of temporary international airports.* The following is a list of international airports of entry designated by the Secretary of the Treasury for temporary periods:

Location	Name	Designated	Period
Chicago, Ill.	Chicago Midway Airport.	Mar. 30, 1955	6 months.

(R. S. 161, sec. 7, 44 Stat. 572, as amended; 5 U. S. C. 22, 49 U. S. C. 177)

Notice of the proposed designation of the Chicago Midway Airport as an international airport was published in the

FEDERAL REGISTER of February 17, 1955 (20 F. R. 1016), pursuant to the provisions of section 4 of the Administrative Procedure Act (5 U. S. C. 1003).

The designation of this airport is based on a determination that a sufficient need exists to justify such designation and is made for the purpose of providing for convenient compliance with customs requirements. For these reasons, it is found desirable to make the airport of entry available to the public as soon as possible and to dispense with the delayed effective date provision of section 4 (c) of the Administrative Procedure Act (5 U. S. C. 1003(c)).

[SEAL]

RALPH KELLY,
Commissioner of Customs.

Approved: March 23, 1955.

H. CHAPMAN ROSE,
Acting Secretary of the Treasury.
[F. R. Doc. 55-2602; Filed, Mar. 29, 1955;
8:48 a. m.]

TITLE 22—FOREIGN RELATIONS

Chapter I—Department of State

[Dept. Reg. 108.251]

PART 41—VISAS: DOCUMENTATION OF NONIMMIGRANT ALIENS UNDER THE IM- MIGRATION AND NATIONALITY ACT

WAIVER OF DOCUMENTARY REQUIREMENTS

Part 41, Chapter I, Title 22 of the Code of Federal Regulations, is hereby amended in the following respects:

1. Paragraph (a) of § 41.6 *Nonimmigrants not required to present passports, visas, or border-crossing identification cards* is amended by the addition of the following subparagraph (7) at the end thereof:

(7) A British subject who has his residence in Bermuda and who makes application for admission into the United States as a visitor for business or pleasure under the provisions of section 101 (a) (15) (B) of the act (i) from Bermuda; or (ii) from, and after a visit solely to, some place in foreign contiguous territory or adjacent islands; or (iii) from, and after a visit solely to, some place in the Western Hemisphere if such subject departed on a round-trip cruise from a port of the United States or Bermuda and has not transhipped from the original vessel or aircraft.

2. Paragraph (b) of § 41.7 *Nonimmigrants required to present passports but not visas or border-crossing identification cards* is amended by the addition of the following subparagraph (4) at the end thereof:

(4) An alien in the United States in a lawful nonimmigrant status who proceeds from a port in the United States to another port of the United States via the Canal Zone and who upon arrival in the United States from the Canal Zone is in possession of an expired nonimmigrant visa.

(Sec. 104, 66 Stat. 174; 8 U. S. C. 1104)

The regulations contained in this order shall become effective upon publication in the *FEDERAL REGISTER*. The provisions of section 4 of the Administrative

Procedure Act (60 Stat. 238; 5 U. S. C. 1003) relative to notice of proposed rule making and delayed effective date are inapplicable to this order because the regulations contained therein involve foreign affairs functions of the United States.

Dated: March 2, 1955.

[SEAL]

HERBERT HOOVER, Jr.,
Acting Secretary of State.

Dated: March 24, 1955.

HERBERT BROWNELL, Jr.,
Attorney General.

[F. R. Doc. 55-2619; Filed, Mar. 29, 1955;
8:49 a. m.]

TITLE 26—INTERNAL REVENUE

Chapter I—Internal Revenue Service, Department of the Treasury

Subchapter C—Miscellaneous Excise Taxes

[T. D. 6129; Regs. 30]

PART 198—PRODUCTION OF VOLATILE FRUIT-FLAVOR CONCENTRATES

USE OF PREMISES

In order to relieve restrictions on use of volatile fruit-flavor concentrate plant premises, Regulations 30 (26 CFR Part 198 (1939)), as made applicable to the Internal Revenue Code of 1954 by Treasury Decision 6091, dated August 16, 1954, and section 7807 of the Code, are amended as follows:

Section 198.29 is amended to read as follows:

§ 198.29 *Use of premises.* The premises of a concentrate plant shall be used exclusively for the manufacture of concentrates by any process which includes evaporation from the mash or juice of any fruit. Such premises may be used by the proprietor, in addition to such manufacture of concentrates, for the production of a marketable article from the flashed juice or mash or for the production of a food product made from fruit of the same kind used in the manufacture of volatile fruit-flavor concentrates: *Provided*, That the assistant regional commissioner finds that such other business will not jeopardize the revenue, nor unduly increase administrative supervision. A proprietor desiring to use the premises for such other business must file application in triplicate with the assistant regional commissioner setting forth fully the details of the desired activity. Such other business may not be commenced until approval has been obtained from the assistant regional commissioner.

(Sec. 7805, 68A Stat. 7805; 26 U. S. C. 7805. Interprets or applies secs. 5171, 5511, 68A Stat. 627, 677; 26 U. S. C. 5171, 5511)

Because this Treasury decision merely relieves restrictions on the use of volatile fruit-flavor concentrate plant premises, it is found that it is unnecessary to issue this Treasury decision with the public rulemaking and effective date requirements of section 4 (a) and (c) of the Administrative Procedure Act (60 Stat. 238; 5 U. S. C. 1003).

This Treasury decision shall be effective upon filing for publication in the FEDERAL REGISTER.

[SEAL] O. GORDON DELK,
Acting Commissioner
of Internal Revenue.

Approved: March 28, 1955.

H. CHAPMAN ROSE,
Acting Secretary of the Treasury.

[F. R. Doc. 55-2655; Filed, Mar. 28, 1955;
4:03 p. m.]

[T. D. 6128; Regs. 120]

**PART 406—COLLECTION OF INCOME TAX AT
SOURCE ON WAGES; APPLICABLE ON AND
AFTER JANUARY 1, 1954**

WAGES; RECORDS

On September 24, 1954, a notice of proposed rule making relating to Regulations 120 (26 CFR (1939) Part 406) was published in the FEDERAL REGISTER (19 F. R. 6144) in order to provide rules for withholding on payment subject to section 105 (d) of the Internal Revenue Code of 1954. Regulations 120 were made applicable to the Internal Revenue Code of 1954 by Treasury Decision 6091, which was signed on August 16, 1954. After consideration of the relevant suggestions presented by interested parties regarding the proposed rules, the following amendments to Regulations 120 are hereby adopted:

PARAGRAPH 1. Section 406.207 is hereby amended by inserting at the end thereof the following new paragraph (i):

§ 406.207 Wages. * * *

(i) Compensation for personal injuries or sickness; amounts paid after 1953 and before 1956 under wage continuation plans—(1) Amounts paid by employer for whom services are performed.

(1) Withholding is not required upon amounts paid after December 31, 1953, and before January 1, 1956, to an employee by his employer under a wage continuation plan for a period during which the employee is absent from work on account of personal injuries or sickness, if such amounts are excludable from the gross income of the employee under section 105 (d) of the Internal Revenue Code of 1954 and the records maintained by the employer in accordance with the provisions of § 406.607 (a):

(a) Separately show the amounts of such payments and distinguish such amounts from all other payments, and

(b) Establish the facts necessary to show that the employee is entitled to the exclusion provided by section 105 (d) of the Internal Revenue Code of 1954, either by means of a written statement from the employee as to the injury, illness, or hospitalization, or by any other information which the employer believes to be accurate and which he is willing to accept for purposes of payments under the wage continuation plan.

(ii) For the purpose of § 406.501, relating to the requirement of receipts for employees, amounts paid after December 31, 1953, and before January 1, 1956, which are excludable from gross income under the provisions of section 105 (d) of the Internal Revenue Code of 1954 shall be included in the total wages required to be shown on Form W-2. The amount of any such wages on which the employer, in reliance on section 105 (d) of the Internal Revenue Code of 1954, does not withhold must be shown separately, and properly identified, on Form W-2 in such manner that it may be read on each copy of the form.

(iii) See § 406.607 for general requirements relating to the keeping of records by employers.

(2) Amounts paid by person other than employer for whom services are performed. Withholding is not required upon any amounts paid after December 31, 1953, and before January 1, 1956, to an employee for a period during which the employee is absent from work on account of personal injuries or sickness, whether or not such amounts are excludable from the gross income of the employee, if such amounts are paid through accident or health insurance or under an accident or health plan by a person who is not the employer for whom the employee performs services but who is regarded as an employer under § 406.205 (c). For example, no withholding is required in connection with accident or health benefits paid by an insurance company under an accident or health policy, by a separate trust under an accident or health plan, or by a State agency from a sickness and disability fund maintained under State law.

PAR. 2. Section 406.607 (a) is hereby amended by inserting at the end thereof the following new subparagraph (4):

§ 406.607 Records—(a) Records of employers. * * *

(4) For additional record-keeping requirements in the case of payments under section 105 (d) of the Internal Revenue Code of 1954, see § 406.207 (i). (Secs. 1429, 3791, 53 Stat. 178, 467, sec. 7805, 68A Stat. 917; 26 U. S. C. 1429, 3791, 7805. Interpret or apply sec. 1627, 57 Stat. 138; 26 U. S. C. 1627)

[SEAL] T. COLEMAN ANDREWS,
Commissioner of Internal Revenue.

Approved: March 25, 1955.

DAVID W. KENDALL,
Acting Secretary of the Treasury.

[F. R. Doc. 55-2595; Filed, Mar. 25, 1955;
4:02 p. m.]

PROPOSED RULE MAKING

DEPARTMENT OF THE TREASURY

Internal Revenue Service

[26 CFR (1954) Part 31]

EMPLOYMENT TAXES; APPLICABLE ON AND
AFTER JANUARY 1, 1955

NOTICE OF PROPOSED RULE MAKING

Notice is hereby given that, pursuant to the Administrative Procedure Act, approved June 11, 1946, the regulations set forth in tentative form below are proposed to be prescribed by the Commissioner of Internal Revenue with the approval of the Secretary of the Treasury. Prior to the final adoption of such regulations, consideration will be given to any data, views, or arguments pertaining thereto which are submitted in writing, in duplicate, to the Commissioner of Internal Revenue, Attention: T.P. Washington 25, D. C., within the period of 30 days from the date of pub-

lication of this notice in the FEDERAL REGISTER. The proposed regulations are to be issued under the authority contained in sections 6051 and 7805 of the Internal Revenue Code of 1954 (68A Stat. 747, 917; 26 U. S. C. 6051, 7805).

[SEAL] T. COLEMAN ANDREWS,
Commissioner of Internal Revenue.

The following regulations are hereby prescribed under sections 3401 (a), 6001, and 6051 of the Internal Revenue Code of 1954:

§ 31.3401 (a) Statutory provisions; definitions; wages.

SEC. 3041. Definitions—(a) Wages. For purposes of this chapter, the term "wages" means all remuneration (other than fees paid to a public official) for services performed by an employee for his employer, including the cash value of all remuneration paid in any medium other than cash; except that such term shall not include remuneration paid—* * *

§ 31.3401 (a)—1 Wages—* * *

(b) Certain specific items—* * *

(3) Amounts paid under wage continuation plans—* * *

(ii) Amounts paid after December 31, 1955—(a) In general. The term "wage continuation payments", as used hereafter in this subdivision, means amounts paid after December 31, 1955, to an employee under a wage continuation plan for a period of temporary absence from work on account of personal injuries or sickness which either are attributable to contributions made by his employer which were not includible in the employee's gross income, or are paid directly by the employer. In general, such amounts constitute wages and shall be subject to withholding in accordance with the following rules.

(b) Amounts paid by employer for whom services are performed. In the case of wage continuation payments

made to an employee by the employer for whom he performs services:

(1) Withholding is required with respect to any such payment for the first 7 calendar days of any period of the employee's absence from work on account of personal injuries or sickness, whether or not any part of such payment is excludable from the employee's gross income under section 105 (d). No withholding adjustment shall be permitted with respect to any tax properly withheld in accordance with the preceding sentence.

(2) Except as provided in (1) above, tax shall not be withheld with respect to the amount of any such payment which the employee is entitled to exclude from his gross income under section 105 (d) provided his entitlement to this exclusion is established by information which the employer reasonably believes to be accurate and which he is willing to accept for the purpose of making payments under his wage continuation plan. Although such information may be relied upon by the employer for current withholding purposes, see § 31.6001-5 for additional information which is required to satisfy the record-keeping requirements imposed by that section. Withholding is required with respect to the amount of any wage continuation payment made directly by the employer to the employee which is not excludable from the gross income of the employee under section 105 (d). Therefore, with respect to any such payment, the employer is required to withhold tax on an amount determined by reference to the excess of the weekly rate of such payment over a weekly rate of \$100. For rules relating to the determination of the weekly rate of such payment, see § 1.105-4 (d) of Income Tax Regulations. If wage continuation payments are made to an employee under two or more plans maintained by his employer, the weekly rate of payment under each plan shall be determined and such weekly rates shall be aggregated for the purpose of determining the part of such payments which is not excludable from gross income under section 105 (d). In any case in which wage continuation payments are made to an employee on behalf of the actual employer by a person who is regarded as an employer under section 3401 (d), the \$100 limitation upon the weekly rate shall be applied first against the payment made by such other person. If the weekly rate of payment by such other person exceeds \$100, the actual employer shall be required to withhold tax on an amount no greater than the payments made by him directly. For example, if the combined weekly rate of payments made to an employee under two wage continuation plans maintained by his employer is \$160, of which the weekly rate of payments made to him by an insurer is \$110 and the weekly rate of the employer's direct payments is \$50, the employer is required to withhold tax only on the amount of his direct payments (\$50). If, however, in the above example the weekly rate of the employer's direct payments was \$110 and the weekly rate of the insurer's payments was \$50, the employer would be required to withhold

tax on \$60 (that is, the weekly rate of the employer's direct payments, \$110, less the portion of the \$100 limitation remaining after deducting therefrom the insurer's weekly rate of payment). If in the above example the weekly rate of the insurer's payments was \$160 and no payment was made by the employer directly, no withholding would be required. Except as provided in (1) above, appropriate withholding adjustments under sections 6205 and 6413 are required with respect to any income tax withheld upon wage continuation payments prior to the establishment of the employee's entitlement to the exclusion.

(3) See section 6001 and the regulations thereunder prescribed in this part for record-keeping requirements, and section 6051 and the regulations thereunder prescribed in this part for provisions relating to statements on Form W-2. See also the provisions relating to section 105 as set forth in the Income Tax Regulations (26 CFR, Part 1).

(c) *Amounts paid by person other than the employer for whom services are performed.* (1) No tax shall be withheld upon wage continuation payments made to an employee by a person who is regarded as an employer under section 3401 (d) (1) but who is not the employer for whom services are performed.

(2) Any person who makes a payment to an employee of an amount to which (1) above is applicable (other than a governmental agency making payments from a sickness and disability fund maintained under the law of a State, Territory, or the District of Columbia) shall furnish to the employer for whom the employee performs services a statement showing the name of the employee, the total amount of the payment made to the employee under the employer's wage continuation plan (whether attributable to the contributions of the employee or to the contributions of his employer) and the period to which the payment is attributable. Such statement shall be furnished at the time each payment is made to the employee.

§ 31.6001 *Statutory provisions; notice or regulations requiring records, statements, and special returns.*

SEC. 6001. *Notice or regulations requiring records, statements, and special returns.* Every person liable for any tax imposed by this title, or for the collection thereof, shall keep such records, render such statements, make such returns, and comply with such rules and regulations as the Secretary or his delegate may from time to time prescribe. Whenever in the judgment of the Secretary or his delegate it is necessary, he may require any person, by notice served upon such person or by regulations, to make such returns, render such statements, or keep such records, as the Secretary or his delegate deem sufficient to show whether or not such person is liable for tax under this title.

§ 31.6001-5 *Additional records in connection with collection of income tax at source on wages.* . . .

(c) The records maintained with respect to the remuneration paid to each employee shall separately show, and shall distinguish from all other payments to the employee, the amounts of any payments made to the employee

after December 31, 1955, which the employee is entitled to exclude from his gross income under section 105 (d) (whether such amounts are paid by the employer directly or by a person who is regarded as an employer under section 3401 (d) (1)). Such records shall also contain data substantiating the employee's entitlement to the exclusion provided under section 105 (d) for each period of his absence from work, either—

(1) By a written statement from the employee certifying that his absence from work during such period was due to personal injuries or sickness of a specified nature and, if the latter, whether he was hospitalized for at least one day during this period, or

(2) By any other information which the employer reasonably believes establishes the employee's entitlement to the exclusion under section 105 (d).

Employers shall not be required to ascertain the accuracy of the information contained in any certified statement submitted by an employee in accordance with subparagraph (1) of this paragraph.

§ 31.6051 *Statutory provisions; receipts for employees.*

SEC. 6051. *Receipts for employees—(a) Requirement.* Every person required to deduct and withhold from an employee a tax under section 3101 or 3402, or who would have been required to deduct and withhold a tax under section 3402 if the employee had claimed no more than one withholding exemption, shall furnish to each such employee in respect of the remuneration paid by such person to such employee during the calendar year, on or before January 31 of the succeeding year, or, if his employment is terminated before the close of such calendar year, on the day on which the last payment of remuneration is made, a written statement showing the following:

- (1) The name of such person,
- (2) The name of the employee (and his social security account number if wages as defined in section 3121 (a) have been paid),
- (3) The total amount of wages as defined in section 3401 (a),
- (4) The total amount deducted and withheld as tax under section 3402,
- (5) The total amount of wages as defined in section 3121 (a), and
- (6) The total amount deducted and withheld as tax under section 3101.

(b) *Special rule as to compensation of members of Armed Forces.* In the case of compensation paid for service as a member of the Armed Forces, the statement shall show, as wages paid during the calendar year, the amount of such compensation paid during the calendar year which is not excluded from gross income under chapter 1 (whether or not such compensation constituted wages as defined in section 3401 (a)); such statement to be furnished if any tax was withheld during the calendar year or if any of the compensation paid is includible under chapter 1 in gross income.

(c) *Additional requirements.* The statements required to be furnished pursuant to this section in respect of any remuneration shall be furnished at such other times, shall contain such other information, and shall be in such form as the Secretary or his delegate may by regulations prescribe.

(d) *Statements to constitute information returns.* A duplicate of any statement made pursuant to this section and in accordance with regulations prescribed by the Secretary or his delegate shall, when required by such regulations, be filed with the Secretary or his delegate.

§ 31.6051-1 *Statements for employees—(a) Requirement if wages are subject to withholding of income tax—(1) General rule.* * * *

(i) In the case of statements furnished with respect to wages paid after December 31, 1955, the total amount of wages as defined in section 3401 (a) shall include—

(a) The amount of any direct payment made by the employer to the employee during the calendar year which the employee is entitled to exclude from his gross income under section 105 (d), without regard to whether tax has been withheld on such amounts; and

(b) The amount of any payment under a wage continuation plan (irrespective of whether the employee is entitled to exclude such amount from his gross income under section 105 (d)) which is made to the employee during the calendar year on behalf of the actual employer by a person who is regarded as an employer under section 3401 (d) (1) for a period during which the employee was absent from work on account of personal injuries or sickness and which is attributable to contributions by the employer which were not includible in the gross income of the employee.

The total amount which an employee is entitled to exclude from his gross income under section 105 (d), whether paid to the employee by his employer directly or by a person who is regarded as an employer under section 3401 (d) (1), shall be determined from the records required to be maintained by the employer in accordance with section 6001 and the regulations thereunder prescribed in this part and shall be shown separately, and properly identified on Form W-2, in such manner that it may be read on each copy of the form.

[F. R. Doc. 55-2596; Filed, Mar. 25, 1955; 4:02 p. m.]

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

LOKEN'S WATERTOWN SALES PAVILION

POSTING OF STOCKYARD

The Secretary of Agriculture has information that the Loken's Watertown Sales Pavilion, Watertown, South Dakota, is a stockyard as defined in section 302 of the Packers and Stockyards Act, 1921, as amended (7 U. S. C. 202), and should be made subject to the provisions of that act.

Therefore, notice is hereby given that the Secretary of Agriculture proposes to issue a rule designating the stockyard named above as a posted stockyard subject to the provisions of the Packers and Stockyards Act, 1921, as amended (7 U. S. C. 181 et seq.), as is provided in section 302 of that act. Any interested person who desires to do so may submit, within 15 days of the publication of this notice, any data, views or arguments, in writing, on the proposed rule to the Director, Livestock Division, Agricultural Marketing Service, United States Department of Agriculture, Washington 25, D. C.

Done at Washington, D. C., this 24th day of March 1955.

[SEAL]

H. E. REED,
Director, Livestock Division,
Agricultural Marketing Service.

[F. R. Doc. 55-2593; Filed, Mar. 29, 1955; 8:47 a. m.]

[7 CFR Part 909]

HANDLING OF ALMONDS GROWN IN CALIFORNIA

CHANGES IN SALABLE AND SURPLUS PERCENTAGES

Notice is hereby given that the Department is considering the issuance of an administrative rule herein set forth pursuant to the provisions of Marketing Agreement No. 119 and Order No. 9 regulating the handling of almonds grown in California (7 CFR, 1953 Rev., Part 909), effective under the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.), changing the presently effective salable and surplus percentages (see 19 F. R. 7376).

Prior to the issuance of a final rule, consideration will be given to any data, views, or arguments pertaining thereto which are submitted in writing to the Director, Fruit and Vegetable Division, Agricultural Marketing Service, United States Department of Agriculture, Washington 25, D. C., and which are received not later than the close of business on the tenth day after publication of this notice in the FEDERAL REGISTER, except that if such day should fall on a holiday, Saturday, or Sunday, such submission may be received by the Director not later than the close of business on the next following work day.

Pursuant to the provisions of the aforesaid agreement and order, the Almond Control Board, the administrative agency thereunder, met in Sacramento, California, on March 9, 1955, and reconsidered estimates of almond production, handler carryover, total trade requirements, imports, and domestic trade demand. It transmitted to the Department its revised estimates and its recommendation that the salable and surplus percentages of 75 and 25 for the crop year beginning July 1, 1954, be changed to 85 and 15, respectively.

The Board's revised estimates in terms of edible kernel weight were as follows:

- (1) Carryover by handlers on July 1, 1954, 9.3 million pounds;
- (2) Estimated production, 1954 crop, 44.6 million pounds;
- (3) Desirable handler carryover on July 1, 1955, 7 million pounds;
- (4) Supply available to meet trade demand after allowance for carryover on July 1, 1955, 46.9 million pounds (items 1 plus 2, minus item 3);
- (5) Trade demand for domestic almonds for the crop year beginning July 1, 1954, 40 million pounds, which is the quantity computed by subtracting the Board's estimated imports of 1 million pounds from its estimate of total trade requirements of 41 million pounds;
- (6) Surplus quantity, 6.9 million pounds (item 4 minus item 5).

The Board by a vote of 5 to 4, recommended a surplus percentage of 15 (item 6 divided by item 2), and a salable percentage of 85. In making these estimates the Board had available data resulting from its survey as of February 10, 1955, pertaining to handlers' inventories, sales, and shipments, its surplus sales report as of February 28, 1955, and information on imports as of the end of January 1955.

On the basis of the Board's estimates of production and of trade demand for domestic almonds, the establishment of a salable percentage of 85 percent will satisfy domestic trade demand but will result in a carryover of only about 6.5 million pounds, kernel weight, because approximately 7.4 million pounds had been sold in authorized surplus outlets as of February 28, 1955. However, such a carryover is believed to be sufficient to cover domestic trade demand between June 30, the end of the crop year, and the time when 1955 crop almonds will be available.

On the basis of such revised and current information as is now available to the Department, it is hereby found and determined that the almonds available for handling under the presently effective salable percentage will not be sufficient to satisfy the trade demand for the crop year beginning July 1, 1954.

Therefore, the proposed administrative rule in respect to such percentages which would supersede the rule (see 19 F. R. 7376) which became effective November 16, 1954, is as follows:

§ 909.204 *Salable and surplus percentages for the crop year beginning July 1, 1954.* The salable and surplus percentages during the crop year beginning July 1, 1954, applicable to almonds, edible kernel weight basis, received by handlers for their own accounts shall be 85 percent and 15 percent, respectively.

Issued at Washington, D. C., this 25th day of March 1955.

[SEAL]

S. R. SMITH,
Director,
Fruit and Vegetable Division.

[F. R. Doc. 55-2612; Filed, Mar. 29, 1955; 8:51 a. m.]

[7 CFR Part 968]

HANDLING OF MILK IN WICHITA, KANS., MARKETING AREA

DECISION WITH RESPECT TO PROPOSED MARKETING AGREEMENT AND PROPOSED ORDER AMENDING ORDER, AS AMENDED

Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.), and the applicable rules of practice and procedure, as amended, governing proceedings to formulate marketing agreements and orders (7 CFR Part 900), a public hearing was conducted at Wichita, Kansas, on January 27, 1955, pursuant to notice thereof which was issued on January 13, 1955 (20 F. R. 401, 491).

Upon the basis of the evidence introduced at the hearing and the record thereof, the Acting Deputy Administra-

tor, Agricultural Marketing Service, on March 4, 1955, filed with the Hearing Clerk, United States Department of Agriculture, his recommended decision and opportunity to file written exceptions thereto was published in the FEDERAL REGISTER on March 9, 1955 (20 F. R. 1405).

Preliminary statement. The hearing on the record of which the proposed marketing agreement and order were formulated, was conducted at Wichita, Kansas, on January 27, 1955, pursuant to notice thereof which was issued January 13, 1955 (20 F. R. 401,491).

The material issues of the hearing related to:

1. The pricing of Class II milk for the months of March through June of each year;
2. The conditions under which a cooperative association should be defined as a handler;
3. Clarification of pool plant requirements when milk is moved between plants;
4. Dates of payments;
5. Mid-month advance payments; and
6. Methods of reporting information to cooperative associations.

Consideration has already been given to issue number one with respect to milk delivered in the month of March 1955. The longer range aspects of that issue and all other issues are considered in this decision.

Findings and conclusions. The following findings and conclusions are made upon the basis of the testimony received at the hearing and the record thereof:

1. The price for Class II milk for all months of the year should be the higher of the U. S. average price paid for manufacturing milk or the average of the prices paid for milk by four Kansas milk manufacturing plants. This is the price presently provided in the order for the months of July through February; for the months of March through June the Class II price now is the price paid by the four Kansas plants.

The present Class II pricing provisions were included in the Wichita order April 1, 1954. For the last nine months of 1954 the U. S. average manufacturing milk price exceeded the four-Kansas-plant price each month by from 11.0 to 17.7 cents, averaging 15.2 cents. During this period the principal cooperative association representing producers in the market has marketed a substantial volume of Class II milk to non-pool plants. Upon the basis of this experience this association proposes that the Class II pricing provisions applicable for the months of July through February should also apply for the months of March through June.

Increases in the volume of Class II milk in spring months are not as substantial in the Wichita market as in some other markets. This is due to the comparatively level pattern of production in the Wichita market. The ability of the cooperative association to market Class II milk to manufacturing plants relieves handlers of any problem in finding a market for milk receipts beyond their own needs. Experience of the past year indicates that there is no need to continue in the order the provision

for a lower Class II price in spring months as an assurance that all milk will be handled. Substantial volumes of Class II milk priced at the U. S. average price have been marketed without loss. It is concluded that the pricing provisions now used for the months of July through February should be adopted for all months of the year.

2. Provision should be made to permit a cooperative association to report to the market administrator with respect to all milk delivered during the month by any member producers whose milk the cooperative association diverts for its account to an unapproved plant at any time during the month, and with respect to milk of its members delivered to the regulated plant of another cooperative association; for any such milk received at a regulated plant the order should require the receiving handler to pay the cooperative association the appropriate class price of the order.

The Wichita order presently provides that a cooperative association shall be defined as the handler with respect to the milk of any producer which such cooperative association causes to be diverted to an unapproved plant for the account of the cooperative association. Except as the operator of an approved plant a cooperative association is not otherwise defined as a handler under the order.

Marketing practices which have arisen in the market comparatively recently make it desirable that a cooperative association be the reporting handler with respect to certain other milk. The bargaining cooperative association representing Wichita producers now markets a substantial part of the reserve milk supply of the market by diversion to unapproved plants. As Class I needs of the market require some of this milk, it is the practice of the association to supply it by shifting producers to handlers' plants as needed. Such shifts are sometimes of short duration. In some cases it has been necessary to shift certain producers whose milk the association diverted at some time during a month to more than one handler's plant during the same month. Occasions have also arisen when the bargaining association delivered milk of its members to a regulated plant operated by another cooperative association.

Reporting and accounting difficulties arise when a single producer's milk is accounted for part of the month by the cooperative association and for the remainder of the month by the handler. Producers and handlers are in agreement that in situations such as those outlined above, operations under the order and relationships with producers would be improved if the association acted as the handler for each producer's deliveries for the entire month, collecting class prices for milk delivered to the approved plant of another handler. When deliveries are made to the approved plant of another cooperative association, membership relationships of each association with its members are improved if each acts as the reporting handler with respect to milk of its members.

It is concluded that the order should define a cooperative association as the

handler with respect to milk of any producer delivered to an approved plant in any month in which the association is a handler with respect to milk of the same producer by virtue of diversion to an unapproved plant, and also with respect to all milk of its member producers delivered to the approved plant of another cooperative association. The handler who receives any milk for which a cooperative association is so defined as the handler should be required to pay not less than the appropriate class prices therefor. The present provisions for classification of milk transferred between handlers provide appropriate means for establishing classification for the limited volume of milk for which it is likely that a cooperative association will qualify as a handler under such provisions.

3. The language of the pool plant requirements should be clarified with respect to the credit for Class I disposition when milk is transferred between approved plants.

Class I disposition as a percentage of receipts of milk from producers determines pool plant status under the Wichita order. The record indicates that some question has arisen concerning credit for Class I disposition when milk moves between plants. In one particular case in the Wichita market one plant bottles for another plant the second plant's entire needs of half gallon packages, and the bottling plant plans its supply of milk to include the needs for such milk. In such case it appears that the Class I sales of such packages should for purposes of pool plant determination be credited to the bottling plant. On the other hand, except for such unusual circumstance, it would appear that Class I credit allowed for pool plant qualification with respect to milk moved to another approved plant should be limited to that which must be classified as Class I milk in order to protect the prior claim producer milk has to Class I utilization.

4. The required date of final payment to producers should be specified as two working days after the 10th of the month, instead of the 12th of the month as presently specified. This will permit proper time for computation of payments on occasions when holidays and non-work days fall on the 11th day or 12th of the month. The uniform price is announced by the 10th day of the month and the two days presently provided are sufficient for computation of payments except when holidays and non-work days interfere.

The date for payments to the producer settlement fund should be advanced from the 12th of the month to the 11th, but the date of payments from the fund should remain on the 12th. This will facilitate clearance of pool balances.

No change need be made in the requirement that payment of billings resulting from audit adjustments should be made within 5 days of presentation. It was proposed that payment of such billings be at the next regular date of payment of pool balances. Such an arrangement might provide less than the five days now provided.

5. The order should provide a more specific minimum advance payment with respect to milk delivered during the first 15 days of the month.

The order presently provides that handlers shall make payment by the 27th of the month at the approximate value of milk delivered the first 15 days of the month. This requirement is indefinite in nature.

A definite rate of payment should be specified at not less than 110 percent of the Class II price of the preceding month, without adjustment for butterfat or deduction for hauling and advance payment should not be required to be made to any producer who has discontinued delivery to the handler. Such provisions will provide for simplicity of computation of the minimum advance and avoid likelihood that the required advance may exceed the final settlement for milk delivered throughout the month, from which final settlement the advance is deductible.

6. More latitude may be provided with respect to the means whereby a cooperative association is informed concerning individual deliveries of its member producers. The order presently requires that handlers supply such information by the 12th of the month when remitting marketing service deductions. Handlers and the cooperative association agree that definite time and manner of submitting such information need not be detailed in the order if the right of the association to the information upon request is included. Such a change will provide desirable flexibility in the means whereby the information is furnished.

General findings. (a) The proposed marketing agreement and the order, as amended, and as hereby proposed to be further amended, and all of the terms and conditions thereof will tend to effectuate the declared policy of the act;

(b) The parity prices of milk as determined pursuant to section 2 of the act are not reasonable in view of the price of feeds, available supplies of feeds and other economic conditions which affect market supply and demand for milk in the marketing area, and the minimum prices specified in the proposed marketing agreement and the order, as amended, and as hereby proposed to be further amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest; and

(c) The proposed order, as amended, and as hereby proposed to be further amended, will regulate the handling of milk in the same manner as, and will be applicable only to persons in the respective classes of industrial and commercial activity specified in, a marketing agreement upon which a hearing has been held.

Ruling on exceptions. Within the period reserved for exceptions, interested parties filed exceptions to certain of the findings, conclusions, and actions, recommended by the Acting Deputy Administrator. In arriving at the findings, conclusions, and regulatory provisions of this decision, each of such exceptions was carefully and fully considered in conjunction with the record evidence

pertaining thereto. To the extent that the findings, conclusions, and actions decided upon herein are at variance with the exceptions such exceptions are overruled.

Determination of representative period. The month of January 1955 is hereby determined to be the representative period for the purpose of ascertaining whether the issuance of an order amending the order, as amended, regulating the handling of milk in the Wichita, Kansas, marketing area in the manner set forth in the attached amending order is approved or favored by producers who, during such period, were engaged in the production of milk for sale in the marketing area specified in such amending order.

Marketing agreement and order. Annexed hereto and made a part hereof are two documents entitled respectively "Marketing Agreement Regulating the Handling of Milk in the Wichita, Kansas, Marketing Area," and "Order Amending the Order, as Amended, Regulating the Handling of Milk in the Wichita, Kansas, Marketing Area," which have been decided upon as the detailed and appropriate means of effectuating the foregoing conclusions. These documents shall not become effective unless and until the requirements of § 900.14 of the rules of practice and procedure, as amended, governing proceedings to formulate marketing agreements and orders have been met.

It is hereby ordered, That all of this decision, except the attached marketing agreement, be published in the FEDERAL REGISTER. The regulatory provisions of said marketing agreement are identical with those contained in the order, as amended, and as hereby proposed to be further amended by the attached order which will be published with this decision.

This decision filed at Washington, D. C., this 25th day of March 1955.

[SEAL]

TRUE D. MORSE,

Acting Secretary of Agriculture.

Order¹ Amending the Order, As Amended, Regulating the Handling of Milk in the Wichita, Kansas, Marketing Area

§ 968.0 Findings and determinations. The findings and determinations hereinafter set forth are supplementary and in addition to the findings and determinations previously made in connection with the issuance of the aforesaid order and of each of the previously issued amendments thereto; and all of said previous findings and determinations are hereby ratified and affirmed, except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

(a) **Findings upon the basis of the hearing record.** Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7

¹ This order shall not become effective unless and until the requirements of § 900.14 of the rules of practice and procedure, as amended, governing proceedings to formulate marketing agreements and orders have been met.

U. S. C. 601 et seq.), and the applicable rules of practice and procedure, as amended, governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), a public hearing was held upon certain proposed amendments to the tentative marketing agreement and to the order, as amended, regulating the handling of milk in the Wichita, Kansas, marketing area. Upon the basis of the evidence introduced at such hearing and the record thereof, it is found that:

(1) The said order, as amended, and as hereby further amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the act;

(2) The parity prices of milk as determined pursuant to section 2 of the act are not reasonable in view of the price of feeds and other economic conditions which affect market supplies and demand for milk in the said marketing area and the minimum prices specified in the order, as amended, and as hereby further amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk and be in the public interest; and

(3) The said order, as amended, and as hereby further amended, regulates the handling of milk in the same manner as and is applicable only to persons in the respective classes of industrial and commercial activity specified in a marketing agreement upon which a hearing has been held.

Order relative to handling. It is therefore ordered that on and after the effective date hereof the handling of milk in the Wichita, Kansas, marketing area shall be in conformity to and in compliance with the terms and conditions of the aforesaid order, as amended, and as hereby further amended, and the aforesaid order, as amended, is hereby further amended as follows:

1. Delete § 968.3 (c) and substitute therefor the following:

(c) For the purpose of this decision the following shall apply:

(1) Milk diverted from an approved plant for the account of the handler operating such approved plant shall be considered a receipt at the approved plant from which it was diverted;

(2) Milk for which a cooperative association which does not operate a plant is defined as the handler pursuant to § 968.9 (b) shall be deemed to have been received by such cooperative association at a pool plant; and

(3) Milk transferred as Class I milk from an approved plant to another approved plant shall be credited as a Class I disposition as follows:

(i) Except as provided in subdivision (ii) of this subparagraph, milk so transferred will be credited as a Class I disposition of the transferring plant only to the extent that classification as Class I milk is required pursuant to § 968.44 (a) (2);

(ii) In any case in which the entire quantity of Class I milk disposed of in packages of a particular size and form is received in such packages from an-

other approved plant all such Class I disposition shall be credited to the plant from which such packages were received and shall be deducted from the appropriate Class I disposition of the receiving plant.

2. Delete § 968.9 (b) and substitute therefor the following:

(b) Any cooperative association with respect to:

(1) The milk of any producer which such cooperative association causes to be diverted to an unapproved plant for the account of such cooperative association;

(2) The milk of any producer delivered to the approved plant of another handler during the same month in which such cooperative association is the handler pursuant to subparagraph (1) of this paragraph with respect to any milk of such producer; and

(3) The milk of any member producer delivered for the account of such cooperative association to the approved plant of another cooperative association.

3. Delete § 968.51 (b) and substitute therefor the following:

(b) *Class II milk.* The price per hundredweight shall be the higher of the prices computed pursuant to subparagraphs (1) and (2) of this paragraph.

(1) The average of the prices reported to have been paid or to be paid for ungraded milk of 3.8 percent butterfat content received from farmers during the month at the following plants for which prices have been reported to the market administrator or the United States Department of Agriculture.

Present Operator and Location.

Arkansas City Cooperative Milk Association, Arkansas City, Kans.
Bennett Creamery Co., Ottawa, Kans.
Page Milk Co., Coffeyville, Kans.
Pet Milk Co., Iola, Kans.

(2) The average price reported by the United States Department of Agriculture for the current month for milk for manufacturing purposes, f. o. b. plant, United States, adjusted to a 3.8 percent butterfat basis by direct ratio.

4. In § 968.80 (a) delete "12th day" and substitute therefor the following: "second working day following the 10th day."

5. Delete § 968.80 (b) and substitute therefor the following:

(b) On or before the 27th day of each month, to each producer (1) to whom payment is not made pursuant to paragraph (c) of this section, and (2) who is still delivering Grade A milk to such handler, an advance payment with respect to milk received from him during the first 15 days of such month computed at not less than 110 percent of the Class II price for 3.8 percent milk for the preceding month, without deduction for hauling.

6. Add the following as § 968.80 (d):

(d) On or before the 10th day after the end of each month, to each cooperative association, with respect to receipts of milk for which such cooperative association is defined as the handler pursuant to § 968.9 (b) (2) or (3), not less

than the value of such milk as classified pursuant to § 968.44 (a) at the applicable respective class price(s).

7. In § 968.83 delete "12th day" and substitute therefor "11th day".

8. Delete the last sentence appearing in § 968.86 (b) and substitute therefor the following: "When requested by the cooperative association, a statement shall be supplied the cooperative association showing for each producer for whom such deduction is made the amount of such deduction, the total delivery of milk, and, unless otherwise previously provided, the butterfat test."

[F. R. Doc. 55-2592; Filed, Mar. 29, 1955; 8:47 a. m.]

[7 CFR Part 976]

HANDLING OF MILK IN FORT SMITH, ARKANSAS, MARKETING AREA

DECISION WITH RESPECT TO PROPOSED MARKETING AGREEMENT AND PROPOSED ORDER AMENDING ORDER, AS AMENDED

Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.), and the applicable rules of practice and procedure, as amended, governing proceedings to formulate marketing agreements and marketing orders (7 CFR Part 900), a public hearing was conducted at Fort Smith, Arkansas, on January 25, 1955, pursuant to notice thereof which was issued on January 11, 1955 (20 F. R. 344).

Upon the basis of the evidence introduced at the hearing and the record thereof, the Deputy Administrator, Agricultural Marketing Service, on March 7, 1955, filed with the Hearing Clerk, United States Department of Agriculture, his recommended decision and opportunity to file written exceptions thereto was published in the FEDERAL REGISTER on March 10, 1955 (20 F. R. 1439).

Preliminary statement. The hearing on the record of which the proposed marketing agreement and amendments to the order were formulated was conducted at Fort Smith, Arkansas, on January 25, 1955, pursuant to notice thereof which was issued January 11, 1955 (20 F. R. 344).

The material issues of record were concerned with:

1. The basic-rating plan; and
2. The price for Class II milk.

Findings and conclusions. The following findings and conclusions are based on the evidence received at the hearing and the record thereof:

1. Payments should be computed under the base rating plan of the order for the months of February through July instead of only for the months of April, May and June. Beginning in the fall of 1956, bases should be established in the months of September through December rather than October through January.

While the Fort Smith order currently provides for payments to producers on a base rating plan for only three months of the year, the principal cooperative association representing local producers has computed payments to its members on a base rating plan of its own each

month since January 1953. Since July 1954 the receipts of a handler whose plant is located in Little Rock, Arkansas, have been priced and pooled under the Fort Smith order, and currently represent more than half of the milk in the Fort Smith pool. Payments to the producers supplying those handlers have likewise been affected by the payment plan of the cooperative association of which such producers are members. Should a milk order for the Little Rock market result from a public hearing recently held with respect to proposed regulations, it is presumed that this milk would then be priced and pooled in Little Rock.

The experience of the local producer cooperative association has convinced this group of producers that a longer period of payments under the base plan will be more effective in leveling the seasonal pattern of production. In June 1954 average deliveries per farm for producer members of this association were 139 percent of those for October 1953, while for nonmember producers June 1954 deliveries per farm were 162 percent of those for the preceding October.

The disparity in methods of payment between member producers and non-member producers has, however, created numerous problems, as a result of which the association has proposed that the order provide a somewhat longer base-payment period, with the intention of then changing the association plan to conform. An eight month period of base-payment was proposed, with the suggestion that temporary or interim bases be provided for payment of producers without established bases in one or two months immediately preceding the base-forming months.

Since the present base-forming months of October through January were established in the order the seasonal low point of production has changed so that it now occurs in October. Producers and handlers agree that the months of September through December should be established as the base-forming months, but that this change should not be effective until 1956 so that producers will have ample opportunity to adjust their breeding and production plans. In each of the last two years January production per producer was significantly greater than that for the preceding September. It is concluded that September should be substituted for January as a base forming month, effective September 1956.

With this revised base-forming period the six-month period of February through July will provide an appropriate base-operating period. For all of these months higher than average daily production per farm may be expected in the Fort Smith market. While average production during the months of February, March and July does not reach the peaks shown for April, May and June, production, significantly higher than for the base forming months normally occurs in these months. Payments on bases for this six-month period of each year will increase the incentive to producers to supply level production to the market beyond that provided by the present three-month base-payment period. While the month of January does not

now appear as appropriate a base-forming month as was formerly the case, the record indicates no need for use of base payments in January to restrict seasonal increases in production. Use of the present blend price method of computing payments for August will provide opportunity for producers to enter the market at a season of the year that new producers are frequently needed in the Fort Smith market, and to have full opportunity to make a base for the ensuing year.

2. The provisions for pricing Class II milk should be revised.

The Class II price of the Fort Smith order is currently the higher of a butter-powder formula price or the average paying price of four milk manufacturing plants, two of which are located in Missouri and two of which are located in Arkansas.

When the Fort Smith order first became effective the four-plant price exceeded the butter-powder formula price. For the September-December 1952 period this price averaged 27.6 cents more than the butter-powder price. In 1953 and 1954, however, the four-plant price has been the higher only for two months. On an annual basis the butter-powder price averaged 10.6 cents higher in 1953 and 13.0 cents higher in 1954.

Fort Smith handlers do not maintain extensive manufacturing facilities in their plants. Cottage cheese is the only Class II product processed in these plants, while some sweet cream and whole milk is marketed to local ice cream plants. The principal disposition of Class II milk is as milk delivered to other milk manufacturing plants in the area. Deliveries to such manufacturing plants are usually accomplished by diversion from producers' farms so that extra handling costs are avoided. The plants whose prices are used for establishing the Class II price, however, are not all available for such diversion. The two plants located in Missouri are too far from Fort Smith. One Arkansas condenser has not accepted Grade A surplus milk recently. Considerable milk has been diverted to the fourth plant and to one or two other nearby plants. The average paying prices of these plants have been some 8 cents per hundredweight less than the four-plant price, so the Class II price has been approximately 21 cents per hundredweight more than the prices paid for milk disposed of to these plants. Much of the milk to be diverted to manufacturing plants has been turned over to the cooperative association. Net losses on milk handled by the cooperative association have resulted in members of the cooperative association receiving less than the uniform prices of the order.

For 1954 the Fort Smith Class II price averaged about 17 cents more than the Class II price of the Tulsa order. Opportunities for disposition of Class II milk are no more favorable in Fort Smith than in Tulsa. Deletion of the two Missouri plants and substitution of an Arkansas plant to which substantial volumes of milk have been diverted would have resulted in a 1954 average price within less than one cent of the Tulsa price. It is concluded that the

Fort Smith Class II price should be determined by the average paying price of these three plants.

General findings. (a) The proposed marketing agreement and the order, as amended, and as hereby proposed to be further amended, and all of the terms and conditions thereof will tend to effectuate the declared policy of the act;

(b) The parity prices of milk as determined pursuant to section 2 of the act are not reasonable in view of the price of feeds, available supplies of feeds, and other economic conditions which affect market supply and demand for milk in the marketing area, and the minimum prices specified in the proposed marketing agreement and the order, as amended, and as hereby proposed to be further amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest; and

(c) The proposed order, as amended, and as hereby proposed to be further amended, will regulate the handling of milk in the same manner as, and will be applicable only to persons in the respective classes of industrial and commercial activity specified in a marketing agreement upon which a hearing has been held.

Ruling on exceptions. Within the period reserved for exceptions, interested parties filed exceptions to certain of the findings, conclusions, and actions, recommended by the Deputy Administrator. In arriving at the findings, conclusions and regulatory provisions of this decision, each of such exceptions was carefully and fully considered in conjunction with the record evidence pertaining thereto. To the extent that the findings, conclusions, and actions decided upon herein are at variance with the exceptions such exceptions are overruled.

Determination of representative period. The month of January 1955 is hereby determined to be the representative period for the purpose of ascertaining whether the issuance of an order amending the order, as amended, regulating the handling of milk in the Fort Smith, Arkansas, marketing area in the manner set forth in the attached amending order is approved or favored by producers who, during such period, were engaged in the production of milk for sale in the marketing area specified in such amending order.

Marketing agreement and order. Amended hereto and made a part hereof are two documents entitled respectively "Marketing Agreement Regulating the Handling of Milk in the Fort Smith, Arkansas, Marketing Area," and "Order Amending the Order, as amended, Regulating the Handling of Milk in the Fort Smith, Marketing Area," which have been decided upon as the detailed and appropriate means of effectuating the foregoing conclusions. These documents shall not become effective unless and until the requirements of § 900.14 of the rules of practice and procedure, as amended, governing proceedings to formulate marketing agreements and orders have been met.

It is hereby ordered, That all of this decision, except the attached marketing

agreement, be published in the FEDERAL REGISTER. The regulatory provisions of said marketing agreement are identical with those contained in the order, as amended, and as hereby proposed to be further amended by the attached order which will be published with this decision.

This decision filed at Washington, D. C., this 25th day of March 1955.

[SEAL]

TRUE D. MORSE,

Acting Secretary of Agriculture.

Order¹ Amending the Order, as Amended, Regulating the Handling of Milk in the Fort Smith, Arkansas, Marketing Area

§ 976.0 Findings and determinations. The findings and determinations hereinafter set forth are supplementary and in addition to the findings and determinations previously made in connection with the issuance of the aforesaid order and all of said previous findings and determinations are hereby ratified and affirmed, except insofar as such findings and determinations may be in conflict with findings and determinations set forth herein.

(a) **Findings upon the basis of the hearing record.** Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.), and the applicable rules of practice and procedure, as amended, governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), a public hearing was held upon certain proposed amendments to the tentative marketing agreement and to the order, as amended, regulating the handling of milk in the Fort Smith, Arkansas, marketing area. Upon the basis of the evidence introduced at such hearing and the record thereof, it is found that:

(1) The said order, as amended, and as hereby further amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the act;

(2) The parity prices of milk as determined pursuant to section 2 of the act are not reasonable in view of the price of feeds, available supplies of feeds, and other economic conditions which affect market supply of and demand for milk in the marketing area, and the minimum prices specified in the order, as amended, and as hereby further amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest; and

(3) The said order, as amended, and as hereby further amended, regulates the handling of milk in the same manner as, and is applicable only to persons in the respective classes of industrial and commercial activity, specified in a marketing agreement upon which a hearing has been held.

¹ This order shall not become effective unless and until the requirements of § 900.14 of the rules of practice and procedure, as amended, governing proceedings to formulate marketing agreements and orders have been met.

Order relative to handling. It is therefore ordered that on and after the effective date hereof the handling of milk in the Fort Smith, Arkansas, marketing area shall be in conformity to and in compliance with the terms and conditions of the aforesaid order, as amended, and as hereby further amended, and the aforesaid order, as amended, is hereby further amended as follows:

1. Delete § 976.51 (b) and substitute therefor the following:

(b) *Class II milk.* The price for Class II milk shall be the average of the basic or field prices reported to have been paid or to be paid for ungraded milk of 4.0 percent butterfat content received from farmers during the month at the following plants or places for which prices have been reported to the market administrator or to the Department:

Present Operator and Location

Pet Milk Co., Siloam Springs, Ark.
Sugar Creek Creamery, Russellville, Ark.
Ozark Creamery Co., Ozark, Ark.

2. In §§ 976.14, 976.15, 976.30 (a), 976.31 (a), 976.72, 976.80 (a) (2) and 976.90 change the words "April through June" to "February through July".

3. In §§ 976.71 and 976.80 (a) (1) change the words "July through March" to "August through January".

4. Delete § 976.90 (a) and substitute therefor the following:

(a) Divide the total pounds of milk received by a handler(s) from such producer during the months of September through December immediately preceding by the number of days, not to be less than ninety, of such producer's delivery in such period except that the daily base applicable for each of the months of April through July 1955 and February through July 1956 shall be so computed from such producer's deliveries during the months of October through January immediately preceding.

[F. R. Doc. 55-2616; Filed, Mar. 29, 1955; 8:52 a. m.]

17 CFR Part 978.1

[Docket No. AO-184-A 11]

HANDLING OF MILK IN NASHVILLE, TENNESSEE, MARKETING AREA

DECISION WITH RESPECT TO PROPOSED TENTATIVE MARKETING AGREEMENT AND TO ORDER AS AMENDED

Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.), and the applicable rules of practice and procedure, as amended, governing proceedings to formulate marketing agreements and marketing orders (7 CFR Part 900), a public hearing was conducted at Nashville, Tennessee, on November 9-12, 1954, pursuant to notice thereof which was issued November 1, 1954 (19 F. R. 7159), upon a proposed tentative marketing agreement and order as amended regulating the handling of milk in the Nashville, Tennessee, marketing area.

Upon the basis of the evidence introduced at the hearing and the record

thereof, the Deputy Administrator, Agricultural Marketing Service, on February 24, 1955, filed with the Hearing Clerk, United States Department of Agriculture, his recommended decision. Said decision containing notice of opportunity to file written exceptions thereto was published in the FEDERAL REGISTER on March 1, 1955 (20 F. R. 1243).

Within the period reserved therefor, interested parties filed exceptions to certain of the findings, conclusions and actions recommended by the Deputy Administrator. In arriving at the findings, conclusions, and regulatory provisions of this decision, each of such exceptions was carefully and fully considered in conjunction with the record evidence pertaining thereto. To the extent that findings, conclusions and actions decided upon herein are at variance with any of the exceptions, such exceptions are overruled.

To the extent that suggested findings and conclusions proposed by interested persons are inconsistent with the findings and conclusions contained herein, the specific or implied requests to make such findings and reach such conclusions are denied on the basis of the facts found and stated in connection with the conclusions herein set forth.

The material issues of record related to:

1. The type of pool to be provided under the order for distributing payments to producers.
2. The definition of milk plants to be fully regulated under the order.
3. The definition of producers whose milk is to be priced under the order.
4. The definition of a handler.
5. The classification of skim milk and butterfat in Class I milk.
6. The level of the Class I price.
7. The use of a supply-demand provision for adjusting the Class I price.
8. The rate of the Class I butterfat differential.
9. The level of the Class II price.
10. Rules governing the transfer of bases.
11. The definition and accounting provisions relative to other source milk.
12. Administrative and conforming changes in the order.

Findings and conclusions. The following findings and conclusions are based upon the evidence introduced at the hearing, and the record thereof:

1. The order should be amended to provide for the distribution of returns to producers on an individual handler pool basis. The marketwide pool which is now provided in the order has not been fully effective in channelling the returns from Class I sales in the Nashville marketing area to those producers supplying the milk for such sales. The record evidence indicates that it should be possible to assure necessary supplies of quality milk for the market at a lesser cost than at present and without lowering overall returns to producers regularly associated with the market. This may be accomplished by providing a pooling system which will reward more directly those producers who are engaged primarily in supplying milk to the Nashville market.

The hearing record indicates that two milk plants which participate in the pool

dispose of very small or token quantities of Class I milk on routes in the marketing area. The association of these plants with the marketing area is only incidental, and might not exist if it were not for the advantages they enjoy in the purchase of milk through the operation of the marketwide pool. Very little or no bulk milk is normally supplied by these two plants to distributors doing business primarily in the marketing area. One of the plants became associated with the market only recently.

A large share of the regulated milk supply not closely associated with the market is manufactured into Class II products in the months of flush production, and sold as bulk milk for Class I use to other southern markets when local supplies are short in these markets.

This situation has had two undesirable effects so far as the Nashville market is concerned. It has resulted in lowered blend prices to the producers of the milk sold in the Nashville market whenever fluid outlets for bulk milk were not available in other southern markets and it has handicapped the operations of the supply-demand pricing provisions of the order in that they have reflected in large measure the seasonal and erratic nature of the demand for supplemental milk by other markets.

Lowered blend prices have been offset to some extent at least by premiums which have been paid frequently by Nashville handlers. During the three-year period beginning with September 1951 such premiums averaged 14.6 cents per hundredweight of Class I milk. Such premiums have not been paid each month in such a manner as to offset the lowering of blend prices through equalization payments to plants outside the marketing area. The premiums have had the effect, however, of maintaining annual returns to Nashville producers at levels at which they could continue to supply handlers serving the marketing area with adequate volumes of quality milk.

The supply-demand provision of the Class I price formula has caused rather wide fluctuations in Class I prices, some of which were not well adapted to the pricing needs of the Nashville market. The erratic nature of bulk sales to outside markets has been responsible to an important extent for some of these price changes. This situation was recognized by a number of handlers who proposed that such sales be eliminated from the calculation of the supply-demand adjustment.

It is concluded that distribution of returns from Class I sales on an individual handler basis will result in more effective utilization of such money so far as obtaining quality milk supplies for Nashville is concerned in that the handlers making primary use of milk for fluid sales will reflect such sales in higher blend prices to their producers.

The individual handler pool will offer no artificial incentive for additional plants, whose utilization data would not reflect local circumstances, to become affiliated with the pool.

The record indicates that all handlers doing business primarily in the marketing area are approximately self-sufficient

so far as supplies of fluid milk are concerned, and that none of these handlers makes a practice of carrying extra milk for the purpose of supplying other handlers with supplemental milk. The individual handler pool should not therefore result in any dislocation, nor require any substantial adjustments so far as the Nashville marketing area is concerned.

2. The definition of plants to be fully regulated should be changed to include any plant which distributes Class I milk in the marketing area, or any plant which furnishes significant volumes of supplemental bulk milk to distributing plants under the order. The present definition of a regulated plant is contingent in part upon the method by which health department approval is extended to producers supplying such plant.

Only Grade A milk may be sold for Class I use in the marketing area. The producers and plants from which this milk comes may be inspected directly by the Davidson County health authority, or they may be inspected by another health authority whose services are acceptable to the Davidson County authority. No reason is evident why consumers would prefer milk inspected by any particular one of the health authorities whose milk is acceptable for Grade A use in the marketing area, or why all milk distributed for Class I use in the marketing area should not be subject to the same pricing standards under the order. If milk may be distributed to any portion of the marketing area, it may be distributed throughout the marketing area. Any plant distributing milk in the marketing area is in competition with most of the other regulated plants selling in the area. It is concluded, therefore, that all plants distributing Class I milk in the marketing area should be fully subject to the order.

It was proposed that all supply plants from which bulk milk is obtained should be subject to regulation to insure that all Class I milk distributed by regulated plants will be priced according to its utilization. This was considered necessary to insure equity in the cost of milk to handlers and thereby insure the stability of the classified pricing system of the order.

Handlers contended that full regulation of all supply plants would handicap them in the business of securing supplemental milk supplies during the months of low production, since unregulated plants would be unlikely to sell one or two tankloads of milk if such sales would result in regulation under the Nashville order. The record discloses that Nashville handlers normally have approximately an adequate volume of producer milk to supply their Class I trade in the months of lowest production, but that a few tanks of extra milk are needed in some years.

In order to allow for the acquisition of such quantities of milk as have occasionally been required, it is concluded that a supply plant should be subject to regulation during the months of lowest production if it sends more than 70,000 pounds of Grade A milk, and/or Grade A skim milk during the month to distrib-

uting plants under the order, unless such shipments are received in ungraded portions of such distributing plants. The record indicates that some surplus Grade A milk is received in the Nashville market for manufacture in ungraded plants. Shipments of milk for surplus disposal from unregulated plants to ungraded portions of a dual plant under the order do not create the need for extending regulation to such supply plants.

The volume standards provided are such that supplemental milk may be obtained in quantities normally required, without subjecting the supply plant to regulation. They are not so large as to permit unpriced milk to be used for Class I purposes in amounts which will threaten the stability of classified pricing under the order. Exemption from regulation for supply plants is provided only during the months of short supply when limited quantities of surplus milk from other markets are normally available.

Milk plants primarily associated with other Federally regulated markets, and subject to full regulation under another order, should be exempt from regulation under the Nashville order.

All facilities, premises and buildings of a milk plant should be considered as part of the same fluid milk plant, so far as classification, utilization and allocation are concerned, regardless of health authority restrictions on the use of any portion thereof. This will enable the market administrator to enforce the order more fully, and assure the assignment of producer milk to all Class I milk disposition from the plant.

If a handler operating a dual plant is disposing of nothing but Class II products from the ungraded portion of his plant this change may have no effect on his milk cost since the skim milk and butterfat he uses in the non-fluid portion of the plant will be assigned to the Class II dispositions involved. If any Class I disposition is made from any portion of a plant it should be assigned first to producer milk to the extent producer milk was available. It is not feasible or necessary for a market administrator to attempt to follow milk or milk products through a plant to determine which product is used for which purpose. If Class I milk is to be disposed of from any portion of the plant it is logical that the plant operator should use his best quality product for such purposes to the extent it is available.

Excess losses in any portion of the plant raise the same question, namely, whether the operator has fully accounted for his milk receipts. If not, it is impossible to determine which lot of milk or milk product was not accounted for in full.

3. The definition of producer should be amended to include any person producing Grade A milk which is shipped directly to a fluid milk plant. Any milk received by a fluid milk plant from such persons is deemed to be available for Class I sale in the marketing area. Such milk should be classified and priced, and the producer thereof should receive the protection of the order.

The present definition of producer, like that of a fully regulated plant, is con-

tingent upon the method by which health department approval is extended. The producer definition should be changed in this respect in conformity with the changes set forth under material issue number two of this decision, and for the same reasons.

Diversion of producer milk to unregulated plants should continue to be recognized so that such milk may be disposed of more readily when it is in excess of fluid requirements. No need was shown for diversion of producer milk for Class I use. The record discloses that only minor amounts of producer milk are diverted to ungraded plants by Nashville handlers even during the months of flush production. Diversion for Class II use is not normally necessary in any fluid milk market in the months of low production, with the possible exception of week-ends or holidays. Recognition of diversion on not more than 10 days in any of the months of September through February is considered to be sufficient tolerance to allow for any foreseeable needs of the Nashville market.

It was proposed that diversion of milk between regulated plants be permitted. Such diversion, it was argued, would allow for movement of excess milk between regulated plants on an efficient basis, and at the same time make it possible, through pooling the Class II use at a plant where the milk was not received, to adjust blend prices at both plants to levels considered necessary. It is concluded, that such a provision will facilitate the disposal of surplus milk. Such diversion should not be permitted on an unlimited basis, however, since the flexibility which it affords handlers for adjusting their blend prices might be used to the disadvantage of producers under the individual handler pool. Diversion is recognized under the provision of the attached order on the same limited basis to regulated plants as to unregulated plants.

4. A handler should be defined as any person in his capacity as the operator of one or more fluid milk plants. The handler is the person who receives milk from producers and is required to report such receipts and the utilization thereof, and to pay producers the minimum prices established by the order. In case a person operates more than one plant at which milk is to be priced, he is to be a handler with respect to the combined operations of such plants. The receipts and dispositions of these plants should be pooled together for purposes of determining classification, allocation, rate of payments to producers, and so on.

The handler definition should also include any cooperative association which diverts producer milk for its account. Although it was proposed that the provision for a cooperative to be a handler should not be included in the definition, such a provision appears necessary to assure stability in milk marketing in the Nashville area. A view was expressed that such provision might hamper the association in marketing milk to best advantage. However, we do not hold to a similar view. It may be noted that the order does not require the association to market member milk to any particular outlet.

It is important, however, that milk which is regularly associated with the Nashville market be fully reflected in the supply data for such market. Temporary diversion of milk without accounting therefor might interfere with computations pursuant to the base-excess provisions of the order. It would also impair the operation of the supply-demand provision of the order in that accurate supply data could not be compiled. Also, the market administrator now pays all producers under the Nashville order. If a cooperative association desired that producers whose milk it diverted be paid by the market administrator, it would be necessary for such an association to be a handler under the order with respect to such milk and such producers.

5. The Class I milk definition should be revised to eliminate therefrom specific reference to approval of products by the Nashville health authority as a basis for such classification of milk. The City of Nashville does not maintain a milk inspection department nor does it enforce any standards relative to milk grading or labeling. Primary reliance for safeguarding the milk supply of the city is placed on the health department of Davidson County, of which Nashville is a part.

In place of classification on the basis of such health department standard the order should classify all fluid items or mixtures of milk, skim milk or cream in fluid form as Class I milk unless specifically exempt. The items thus classified in Class I are normally required to be made from Grade A milk. Also, such a standard will avoid questions with respect to the classification of various fluid combinations of skim milk or cream items and various fortified milk drinks. This modification of order language will not result in any substantive change in classification as it is now carried out in the market.

Skim milk and butterfat contained in eggnog and aerated cream should be classified Class II milk. No health authority inspecting milk for the marketing area requires that such products be made from approved milk. Both eggnog and aerated cream made at least in part from ungraded products are now distributed in the marketing area. To require regulated handlers to pay Class I prices for these products places them at a disadvantage, and could result in the loss of such outlets for producer milk altogether. Classification in Class II milk will result in pricing producer milk used in such products at a competitive level.

6. The Class I price should be set at the level of the basic formula price plus \$1.10 during the six months of flush production, and plus \$1.40 during the six months of lowest production, plus or minus any amounts provided under a revised supply-demand adjustment hereinafter described. The average of these differentials is the same as the present Class I price differential.

Although the order has provided a stated year-round differential of \$1.25 most of the time since its inception, this differential has prevailed only a comparatively small portion of the time, and

not at all since August 1951. The supply-demand provision, together with the contra-seasonal features thereof previously in effect have resulted in prices considerably different from those arrived at by adding \$1.25 to the basic formula price. As indicated previously, market-wide premiums were paid during many of these months. Most of the premiums, as well as a large proportion of the price increases under the supply-demand provisions were in effect during the months of lowest production. Price reductions have ordinarily been in effect during spring and summer months.

Producer representatives contended that more or less regular wintertime increases under the supply-demand provisions are an important part of the pricing provisions for Class I milk and that such increases are normal considering the base utilization figures provided in the order and the level of milk production needed in Nashville. Evidence was introduced to indicate that during the year prior to the hearing the Class I price received averaged about \$1.50 above the basic formula price in the six base-forming months and somewhat less than \$1.10 over the basic formula price during the six remaining months of the year.

The record indicates that so far as the Nashville handlers are concerned the level of milk production which has resulted from such prices has been adequate. In most years local supplies during the months of lowest production were approximately equal to Class I sales plus essential reserves.

It is found in connection with issue number seven of this decision that the supply-demand provision of the order should be revised so that price changes are not made unless supplies are clearly out of line with the needs of the market. It is recommended that the base utilization percentages of the supply-demand provision should be adjusted for this purpose and that 12 months moving averages be used. This recommended change would result in a lower level of fall and wintertime prices and a higher level of spring and summer prices than has prevailed during most years. For this reason the stated differential should be revised to take into consideration seasonal price variations which have normally resulted from the operation of the supply-demand provision, and to recognize the level of Class I prices necessary to assure adequate supplies of pure and wholesome milk.

The prices herein recommended reflect the fact that wintertime Class I prices have for various reasons been higher than summertime prices, and that some seasonal variation will aid in the alignment of Nashville milk prices with those of surrounding markets. Alignment of Class I prices with outside markets is desirable since considerable milk is distributed by Nashville handlers outside the marketing area where local Class I prices vary seasonally. The amount of seasonal price variation recommended for the Nashville market will still be less than that in most surrounding markets.

Prices which would have prevailed during the past three years under the

Class I pricing formula herein recommended are somewhat less than the prices actually paid by handlers for Class I milk during this period. It is likely that despite such lower Class I prices, Nashville producer returns would have been maintained at adequate levels had the pooling provisions herein recommended been in effect. It is concluded that the revised pooling provisions together with the pricing provisions herein recommended should be sufficient to insure that milk supplies will continue at adequate levels to meet Class I requirements of the Nashville marketing area.

The Class I prices herein provided are not out of alignment with the Class I prices provided under other Federal orders in the general area, in that they are less than such other prices plus the cost of transporting milk from such markets.

The record indicates that certain of the condenseries specified in § 978.50 (a) have discontinued operations. Reference to these plants, therefore, should be deleted from the order. Also, it was proposed that the applicable market price quotation used in the butter-powder component of the basic price formula be used as quoted by the Department of Agriculture, but that for simplification the basic price formula itself be rounded to the nearest whole cent. Such changes will have only minor effect upon the prices of the order, and will to considerable extent be compensating over a period of time. They should be adopted.

7. The supply-demand provisions of the order should be revised so that it will bring about price changes more nearly in line with the needs of the market.

Price changes under the present supply-demand provision are controlled to a considerable extent by market conditions not closely associated with Nashville. This results in part from the irregularity of bulk milk sales outside the market by handlers under the order. Such sales make up a substantial proportion of the Class I milk during some months of the year. It is influenced also by changes in the number of handlers regulated. Those handlers who may leave or join the pool in general are those not closely associated with the Nashville market. The record indicates that one additional handler has come under the order recently, and others may become regulated in the near future. Most of the business of these handlers is represented by production and sales outside the marketing area.

This decision provides for a change in the method of pooling producer returns under the order. Such a change may result in some unusual aberrations in the milk supply and sales of handlers under the order. As a result of the foregoing conditions, untimely price fluctuation may be brought about with the present supply-demand provision. It is concluded that, in view of the existing circumstances, the supply-demand provision should be changed so that the calculation of Class I price adjustments will be based on a 12-months moving average of utilization data. Such provision will mean that prompt price ad-

justments will be foregone. This is considered necessary however to assure an adequate measure of stability throughout the transition period.

A supply-demand provision of the type recommended herein must provide an average utilization figure for the year from which percentage point deviations may be calculated to determine price adjustments. Reserve milk equal to at least 5 percent of Class I is normally needed at any season to keep fluid outlets fully supplied. The Nashville market has had reserve milk in such volume during most months in recent years. Because of different seasonal changes in production and sales, however, a year-round margin of not less than 25 percent is considered necessary. This will allow for a peak reserve considerably above 25 percent during the months of flush production and should provide an adequate margin of safety so that local handlers may carry their own surplus. It is concluded, therefore, that price increases should be provided when year-round supplies are less than 125 percent of Class I sales. If supplies are below that level, it should be clear that additional milk is needed and that added price incentive is desirable to stimulate greater production.

On the other hand, if year-round supplies exceed Class I sales by more than 30 percent, it will be evident that additional production is not needed and Class I prices should be lowered to avoid encouraging production beyond the apparent needs of the market.

If seasonal patterns of utilization, or the coverage of the order with respect to production or sales should change significantly, these base utilization percentages might need to be reconsidered in the light of such new conditions. Because of the potential changes which may occur in the market under the order provisions herein recommended, the effective date of the operation of the supply-demand provision should be delayed until after the end of the current year. If significant changes in marketing practices which bear on the calculation of this percentage should take place before the beginning of the operation of this provision, it will be possible to reconsider the various factors of the provision before that time.

It was proposed that the supply-demand provision of the order be deleted entirely. This proposal fails to take into consideration the fact that such a provision may be useful in automatically adjusting Class I prices to help in keeping them at levels contemplated by the Act without resorting to the hearing procedure in each case. The amendment provisions herein recommended should eliminate most of the features of the provision which have been objected to under the Nashville order.

8. The Class I butterfat differential used in adjusting the Class I milk price should be reduced.

The present Class I butterfat differential is determined by multiplying the Chicago 92-score butter price by 0.13. It was proposed that the factor used in computing this differential be reduced from 0.13 to 0.12.

The record shows that the average butterfat test of Class I milk disposed of by Nashville handlers has declined from 3.46 in 1948 to 3.28 in 1953. This has been accounted for in part by decreasing cream sales and increasing sales of skim milk and skim milk drinks. Indications are also that there has been some reduction in the average butterfat test of whole milk.

A number of handlers in the Nashville market have recently undertaken a marketwide campaign to sell higher testing fluid milk. New lines of premium milk have been added. The price of the added butterfat in these products was approximately equal to the premium received by handlers for the milk. Despite considerable advertising and promotion, sales of such milk have been negligible. Evidently consumers do not value butterfat in milk, or cream at the level at which it is now priced in the order.

The average butterfat test in producer milk has changed little during the period while the order has been in effect, and has usually exceeded the test of Class I milk by more than one percent. It is concluded that the adoption of a lower butterfat differential for Class I milk will tend to encourage or facilitate greater use of butterfat by handlers in their Class I operations and bring about a closer balance between supplies and utilization of butterfat. The effect of such change on the overall cost of Class I milk would be a minor increase but not sufficient to justify changes in the Class I price herein recommended.

It was argued in exceptions submitted by handlers that the weight of evidence in the hearing record was to the effect that a decrease in the price of Class I butterfat would not increase sales of such butterfat, nor aid in balancing market sales with supplies. The premise that prices do not affect sales, particularly as related to a product such as cream, is not in accordance with commonly accepted understanding of the relationship between these factors. Nor does it accord with the basis on which the Secretary is instructed by the act to fix prices for milk, namely, to bring about an appropriate relationship between supply and sales. Since the components of milk, namely, butterfat and nonfat solids are priced separately under the order, it is concluded that the individual components should be priced according to the same standards. One hundred pounds of producer milk received by Nashville handlers contains on the average about one-third more butterfat than does one hundred pounds of Class I sales. In view of this disparity it is concluded that a lower Class I butterfat differential is needed.

9. The Class II price should be fixed at 15 cents over the average of prices paid farmers by ten local milk manufacturing plants in the months of flush production and 25 cents over such price in the months of low production.

The hearing record indicates that there is a large number of milk manufacturing plants in the central Tennessee area. A large share of the excess milk from the Nashville market is disposed of to these plants. Many of these

manufacturing plants pay premiums to dairy farmers for milk which is produced in barns with concrete floors and cooled. Since Grade A milk for the Nashville market is produced under these circumstances a number of Nashville producers have been able to market their own milk to such manufacturing plants at premium prices. According to record evidence, a large number of additional producers could, through proper hauling arrangements, shift their excess milk to such plants without incurring additional hauling costs. The premiums which Nashville producers have received for milk so diverted during the flush production months usually amounts to around 15 cents per hundredweight over the ungraded milk price.

Regulated handlers have also marketed much of the excess milk received by them to ungraded plants for manufacture. Some premiums have been received for such milk but these have often been insufficient to offset handling and hauling costs according to testimony by handlers.

Diversion of producer milk directly to manufacturing plants has not been widely used in the Nashville market, although many producers are conveniently located with respect to such plants. Diversion of this kind is sometimes used to avoid duplication of handling costs with respect to Class II milk. One reason suggested for the lack of diversion in the Nashville market was that handlers were able to keep better quality control if they received milk themselves before shipping it for manufacture. While this may be a necessary measure in assuring milk of proper quality for Class I use, no evidence was adduced to indicate why Class II milk sales, rather than Class I sales, should bear the cost of a careful quality control program. The premiums on Class II milk received by producers over the local plant paying prices were contingent only upon type of barn, and cooling facilities, and not upon the careful quality control program such as Grade A inspection involves.

A representative of a producer marketing association testified that he had been offered a market for a large volume of Grade A milk for manufacturing uses. This milk could be sold at a premium over ungraded prices paid by manufacturing plants in the area as reflected by the present Class II pricing formula of the order.

The record indicates that surplus Grade A milk supplies tend to be scarcer during the fall and winter months than in the spring. The lower volume of such milk during these months should permit the use thereof in the preferred outlets for manufacturing milk. The Class II price should be slightly higher during these months to reflect these conditions. Such higher prices will aid also in maintaining maximum use of producer milk in Class I outlets, and discourage acquisition by handlers of greater milk supplies than are needed to maintain Class I sales on a year-round basis. In order to avoid dislocations because of excessive prices, the Class II milk price

should not be permitted to exceed the basic formula price.

The record indicates that one of the local milk manufacturing plants, the average pay price of which is utilized in fixing the Class II prices of the order, has discontinued its operations. It was suggested that the Sumner County Cooperative Creamery, at Gallatin, Tennessee, be substituted for this plant. Several milk manufacturing plants are competing for the purchase of ungraded milk from dairy farmers in the Gallatin area. The historical pay prices of this plant reflect such competition. It was pointed out on the hearing record that because the creamery is operated as a cooperative, its patrons may receive more for their milk than is reflected by the stated pay price. The evidence indicates however that the monthly prices are at such a level as to reflect current market values in the area for ungraded milk. It is concluded that the proposed substitution will help to maintain the representative nature of the quotation for the purposes intended under the order. Other plant substitutions were suggested, but data were not presented to show the prices paid by such plants.

The Class II price should be rounded to the nearest whole cent to simplify the calculations required under the order.

10. The base rules should be amended to modify the restrictions to the transfer of bases. Present base rules permit a producer to transfer his base only in case of death, retirement or entry into military service, such transfers to be made only to members of the immediate family.

Base-excess rules were designed to encourage producers to build bases by increasing production during the months when milk is in short supply and to pay for excess milk above market needs in the summer only at its sale value, which is primarily for manufacturing purposes. No producer is entitled to consider that he owns a certain portion of the market by virtue of his assigned base. It is recognized, on the other hand, that a producer who adjusts his production under the base-excess plan to even out seasonal variations may suffer financial loss, if for some reason other than death or entry into military service he must discontinue milk production. The present base rules permit transfers of bases also in case of "retirement." The order does not provide an interpretation as to the standards for determining retirement. The term may be loosely interpreted to include a producer who is merely going out of the dairy business, or it may be interpreted according to various other standards. The record indicates that it is impractical for a market administrator to interpret this term precisely, and that producers may be encouraged to resort to subterfuge, if they stand to lose because of the operation of the base rules. The record indicates also that a strict interpretation of the rule may result in undue hardship on producers who must liquidate their businesses at a time other than at the beginning of the base forming period.

A free transfer of bases will not defeat the purpose of the base-excess plan so

long as such transfers are limited to entire bases. The purpose of the base-excess plan is to encourage winter production so the producer will have a larger share in the Class I market during the following season of high production. Transfer of bases as herein recommended will give added assurance to a producer that he will have the full benefit of any base he is able to build whether or not he is able to continue milk production through the following summer for his own account. This additional certainty should increase the effectiveness of the base-excess plan in encouraging wintertime production of milk.

It was contended in the exceptions that joint holders of bases should be permitted to divide their base and make such individual disposition thereof as they choose. It was alleged also that such a provision would not interfere with the operation of the base program, and that to prohibit separate transfer by joint holders would place such joint holders at a disadvantage. It is concluded that separate transfers of their agreed on portions of bases by joint holders should be allowed so that one joint holder will not be required to forfeit his base if the other joint holder(s) do not wish to make such a transfer. Such a provision makes it possible, however, for anyone who cares to do so to set up a partnership of convenience with any persons (members of the family or otherwise) for the purpose of effecting a subsequent transfer of some portions of his base. Since setting up a partnership is a comparatively simple matter, this may well have the practical effect of allowing ready transfer of partial bases. It is concluded, therefore, that transfers of partial bases should be allowed outright. To simplify administration, however, such transfers should be effective only at the beginning of the month following which the market administrator receives notice of such transfer.

Bases should be transferred by the market administrator only as of the first of the month, and only upon advance receipt of a statement on approved forms indicating the holder of such base and the person to whom the base is to be transferred, and signed by both parties.

11. The other source milk definition should be changed so that it includes manufactured milk products which are utilized or reprocessed in the plant during the month regardless of the origin of such products. This will assure a full accounting of all skim milk and butterfat which may be utilized in the plant during the month for Class I outlets. It will eliminate the requirement that Class II items brought into a plant and held in inventory be classified. It will eliminate also the requirement that the market administrator trace the identity of individual lots of milk products in a plant. Testimony in the record indicates that both of these requirements are impractical and unnecessary to insure priority of assignment of current receipts of producer milk to the entire Class I sales of the plant.

In order to carry out this change it is important that the order specify clearly how inventories will be handled

and that complete accounting for other source milk be secured.

Inventories of fluid items should be classified Class II milk at the end of the month, and the order should specify that a reclassification charge be made during the following month to the extent that such inventories are later assigned to Class I use. This will involve only minor changes since the order presently classifies inventory variations as Class II milk.

In order to assure complete accounting for other source milk products the same shrinkage allowances should be applied to such milk as to producer milk. Complete records should be kept by each handler regarding all nonfat milk solids and butterfat received or handled or held in inventory, regardless of the definition of such products under the order. Provision should be made to require such records.

12. A number of conforming changes should be made in the order. The proposal that supply plants be regulated under certain circumstances makes it essential that transportation allowances be provided in connection with the pricing provisions of the order. Such allowances should be granted plants located at a distance from the market. They should be made in recognition of the fact that a handler who receives producer milk at a distance from the market assumes the burden and cost of transporting such milk to the marketing area. To fail to grant such allowances might make the cost of milk prohibitive to supply plants located in areas at a considerable distance from Nashville, and would force a producer in these areas to send his milk directly to the market if it is to be marketed in Nashville at all. Long distance hauling in producer cans is not practical from quality point of view, and is expensive.

The value of milk at a distance is less because of the cost involved in moving it to the market. Cost of transportation will vary according to the form in which the milk is held or packaged and the manner in which it is hauled. It is necessary, however, in drafting order provisions to assume that the milk should be hauled by the most efficient means possible. This is concluded to be in bulk tank truck loads. If a person hauls the milk by less efficient means, he should be expected to stand the extra cost of such haul. No difference in location differential should be recognized, therefore, on the basis of form in which the milk is held or moved.

The transportation allowances herein recommended are based on the cost of hauling milk in bulk tank lots as indicated in the record, and apply only to Class I milk, and to producer payments. No difference in value of Class II milk is recognized because of its location. The record indicates that no plant which will be regulated under the attached order is located more than 50 miles from Nashville. Under present conditions, therefore, the proposed transportation differential will not result in any milk being priced at less than the f. o. b. market price.

The order should be amended to specify the number of decimal points to

be used in connection with the price and differential quotations under the order. This will provide uniformity and facilitate the computations required under the order.

The various steps involved in the calculation of prices to be paid by the market administrator to individual producers should be altered to reflect handler pooling. The producer settlement fund now held by the market administrator should, upon the effective date of the order be prorated into separate funds for each handler based on his volume of producer milk during the last month of operation under the marketwide pool. Such funds should then be maintained through subsequent pools in a manner similar to that now carried out under the marketwide pool except that a separate fund will be maintained for each handler. Such funds will permit the market administrator to make prompt adjustments in producer payments in cases where errors are found. It can be used also to adjust accounts when errors in handler reports are discovered as a result of audits.

In case a handler ceases to be regulated under the order the fund should be dispersed on a pro rata basis to producers from whom he received milk during the last month in which he was regulated.

General findings. (a) The proposed marketing agreement and the order, as amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the act;

(b) The parity prices of milk as determined pursuant to section 2 of the act are not reasonable in view of the price of feeds, available supplies of feeds and other economic conditions which affect market supply of and demand for milk in the marketing area, and the minimum prices specified in the proposed marketing agreement and the order, as amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk and be in the public interest; and

(c) The proposed order, as amended, will regulate the handling of milk in the same manner as, and will be applicable only to persons in the respective classes of industrial and commercial activity specified in a marketing agreement upon which a hearing has been held.

Determination of representative period. The month of January 1955 is hereby determined to be the representative period for the purpose of ascertaining whether the issuance of the order amending the order, now in effect, regulating the handling of milk in the Nashville, Tennessee, marketing area, in the manner set forth in the attached order, as amended, is approved or favored by producers who, during such period were engaged in the production of milk for sale in the marketing area specified in such marketing order.

Marketing agreement and order, as amended. Annexed hereto and made a part hereof are two documents entitled respectively, "Marketing Agreement Regulating the Handling of Milk in the Nashville, Tennessee, Marketing Area," and "Order, as amended, Regulating the Handling of Milk in the Nashville,

Tennessee, Marketing Area," which have been decided upon as the detailed and appropriate means of effectuating the foregoing conclusions. These documents shall not become effective unless and until the requirements of § 900.14 of the rules of practice and procedure, as amended, governing proceedings to formulate marketing agreements and orders have been met.

It is hereby ordered, That all of this decision, except the attached marketing agreement, be published in the FEDERAL REGISTER. The regulatory provisions of said marketing agreement are identical with those contained in the order, as amended.

This decision filed at Washington, D. C., this 25th day of March 1955.

[SEAL] TRUE D. MORSE,
Acting Secretary of Agriculture.

Order¹ as Amended, Regulating the Handling of Milk in the Nashville, Tennessee, Marketing Area

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¹ This order shall not become effective unless and until the requirements of § 900.14 of the rules of practice and procedure, as amended, governing proceedings to formulate marketing agreements and orders have been met.

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AUTHORITY: § 978.0 to 978.111 issued under sec. 5, 49 Stat. 753, as amended; 7 U. S. C. 608c.

§ 978.0 Findings and determinations. The findings and determinations hereinafter set forth are supplementary and in addition to the findings and determinations previously made in connection with the issuance of the aforesaid order and each of the previously issued amendments thereto; and all of said previous findings and determinations are hereby ratified and affirmed, except insofar as such findings and determinations may be in conflict with findings and determinations set forth herein.

(a) *Findings upon the basis of the hearing record.* Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.), and the applicable rules of practice and procedure, as amended, governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), a public hearing was held upon a proposed tentative marketing agreement and order, as amended, regulating the handling of milk in the Nashville, Tennessee, marketing area. Upon the basis of the evidence introduced at such hearing and the record thereof, it is found that:

(1) The said order, as amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the act;

(2) The parity prices of milk as determined pursuant to section 2 of the act are not reasonable in view of the price of feeds, available supplies of feeds, and other economic conditions which affect market supply of and demand for milk in the marketing area, and the minimum prices specified in the order, as amended, are such prices as will reflect the aforesaid factors, insure a suffi-

cient quantity of pure and wholesome milk, and be in the public interest; and

(3) The said order, as amended, regulates the handling of milk in the same manner as, and is applicable only to persons in the respective classes of industrial and commercial activity, specified in a marketing agreement upon which a hearing has been held.

Order relative to handling. It is therefore ordered that on and after the effective date hereof the handling of milk in the Nashville, Tennessee, marketing area shall be in conformity to and in compliance with the following terms and conditions:

DEFINITIONS

§ 978.1 *Act.* "Act" means Public Act No. 10, 73d Congress, as amended and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.).

§ 978.2 *Secretary.* "Secretary" means the Secretary of Agriculture or any officer or employee of the United States authorized to exercise the powers and to perform the duties of the Secretary of Agriculture.

§ 978.3 *Department of Agriculture.* "Department of Agriculture" means the United States Department of Agriculture or any other Federal agency as may be authorized by act of Congress, or by Executive order, to perform the price reporting functions of the United States Department of Agriculture.

§ 978.4 *Person.* "Person" means any individual, partnership, corporation, association, or other business unit.

§ 978.5 *Nashville, Tennessee, marketing area.* "Nashville, Tennessee, marketing area", hereinafter called the "marketing area", means all the territory within the boundaries of Davidson County, Tennessee, including but not limited to the cities of Nashville and Belle Meade.

§ 978.6 *Cooperative association.* "Cooperative association" means any cooperative marketing association of producers which the Secretary determines to be qualified pursuant to the provisions of the act of Congress of February 18, 1922, as amended, known as the "Capper-Volstead Act," and is authorized by its members to make collective sales or to market milk or its products for the producers thereof.

§ 978.7 *Producer-handler.* "Producer-handler" means any person who produces Grade A milk under a dairy farm inspection permit issued by any duly constituted health authority, and who processes milk from his own production, all or a portion of which is distributed within the marketing area as Class I milk, but who receives no milk from producers.

§ 978.8 *Fluid milk plant.* "Fluid milk plant" means all the premises, buildings and facilities of any milk receiving, processing or packaging plant from which plant:

(a) Any fluid milk product is disposed of during the month on routes

(including routes operated by vendors, and sales through plant stores) to retail or wholesale outlets (except fluid milk plants) in the marketing area;

(b) Grade A milk or skim milk is shipped during the month for any of the months of January through August to a plant (except any portion thereof from which no fluid milk product may be disposed of under a Grade A label) specified under paragraph (a) of this section, or;

(c) Grade A milk or skim milk equal to more than 70,000 pounds is shipped during the month for any of the months of September and December to plants (except any portions of such plants from which no fluid milk product may be disposed of under a Grade A label) specified under paragraph (a) of this section.

§ 978.9 *Nonfluid milk plant.* "Nonfluid milk plant" means any milk manufacturing, processing, or packaging plant other than a fluid milk plant described in § 978.8.

§ 978.10 *Handler.* "Handler" means (a) any person in his capacity as the operator of one or more fluid milk plants, or (b) any cooperative association of producers with respect to producer milk diverted by it from a fluid milk plant to a nonfluid milk plant for the account of such association.

§ 978.11 *Producer.* "Producer" means any person, except a producer-handler, who produces milk in compliance with the Grade A inspection requirements of a duly constituted health authority which milk is received at a fluid milk plant: *Provided,* That if such milk is diverted for his account by a handler from a fluid milk plant to any other milk plant any day during the months of March through August, or on not more than 10 days during any other month, the milk so diverted shall be deemed to have been received by the diverting handler at a fluid milk plant at the location of the plant from which it was diverted.

§ 978.12 *Producer milk.* "Producer milk" means only that skim milk or butterfat contained in milk (a) received at the plant directly from producers, or (b) diverted from a pool plant to a nonpool plant (except a nonpool plant which is fully subject to the pricing provisions of another order issued pursuant to the act) in accordance with the conditions set forth in § 978.11.

§ 978.13 *Fluid milk product.* "Fluid milk product" means milk, skim milk, buttermilk, flavored milk, flavored milk drinks, yogurt, cream or any mixture in fluid form of milk, skim milk and cream (except sterilized products packaged in hermetically sealed containers, eggnog, ice cream mix and aerated cream).

§ 978.14 *Other source milk.* "Other source milk" means all skim milk and butterfat contained in: (a) Receipts during the month of fluid milk products except (1) fluid milk products received from other fluid milk plants, or (2) producer milk; and (b) products, other than fluid milk products, from any source (including those from a plant's own production), which are reprocessed or con-

verted to another product in the fluid milk plant during the month.

§ 978.15 *Base milk.* "Base milk" means milk received at fluid milk plants from a producer during any of the months of March through August which is not in excess of such producer's daily average base computed pursuant to § 978.60 multiplied by the number of days in such month.

§ 978.16 *Excess milk.* "Excess milk" means milk received at fluid milk plants from a producer during any of the months of March through August which is in excess of the base milk of such producer for such month, and shall include all milk received during such months from a producer for whom no daily average base can be computed pursuant to § 978.60.

MARKET ADMINISTRATOR

§ 978.20 *Designation.* The agency for the administration of this part shall be a market administrator, selected by the Secretary, who shall be entitled to such compensation as may be determined by, and shall be subject to removal at the discretion of, the Secretary.

§ 978.21 *Powers.* The market administrator shall have the following powers with respect to this part:

(a) To administer its terms and provisions;

(b) To receive, investigate, and report to the Secretary complaints of violations;

(c) To make rules and regulations to effectuate its terms and provisions; and

(d) To recommend amendments to the Secretary.

§ 978.22 *Duties.* The market administrator shall perform all duties necessary to administer the terms and provisions of this part, including, but not limited to, the following:

(a) Within 45 days following the date on which he enters upon his duties, or such lesser period as may be prescribed by the Secretary, execute and deliver to the Secretary a bond, effective as of the date on which he enters upon his duties, and conditioned upon the faithful performance of such duties, in an amount and with surety thereon satisfactory to the Secretary;

(b) Employ and fix the compensation of such persons as may be necessary;

(c) Obtain a bond in a reasonable amount and with reasonable surety thereon covering each employee who handles funds entrusted to the market administrator;

(d) Pay, out of the funds provided by § 978.85, (1) the cost of his bond and of the bonds of his employees, (2) his own compensation, and (3) all other expenses, except those incurred under § 978.86, necessarily incurred by him in the maintenance and functioning of his office and in the performance of his duties;

(e) Keep such books and records as will clearly reflect the transactions provided for in this part, and, upon request by the Secretary, surrender the same to such other person as the Secretary may designate;

(f) Publicly disclose to handlers and producers, at his discretion, the name of any person who, within 5 days after the day upon which he is required to perform such acts, has not made (1) reports pursuant to §§ 978.30 and 978.31, or (2) payments pursuant to §§ 978.80, 978.83 and 978.85;

(g) Submit his books and records to examination by the Secretary, and furnish such information and reports as may be required by the Secretary;

(h) Prepare and make available for the benefit of producers, consumers, and handlers, general statistics and information concerning the operation of this part;

(i) Verify all reports and payments by each handler by audit, if necessary, of such handler's records and the records of any other handler or person upon whose utilization the classification of skim milk and butterfat for such handler depends; and

(j) On or before the date specified, publicly announce by posting in a conspicuous place in his office and by such other means as he deems appropriate the following: (1) The 6th day of each month, the Class II price and the Class II butterfat differential, both for the preceding month; and (2) the 5th day of each month, the Class I price, and the Class I butterfat differential, both for the current month; and (3) the 10th day after the end of each month, the uniform price(s) for each handler, computed pursuant to § 978.71 or § 978.72, and the producer butterfat differential for the preceding month.

REPORTS, RECORDS AND FACILITIES

§ 978.30 *Reports of receipts and utilization.* On or before the 6th day after the end of each month each handler, except a producer-handler, shall report for each of his fluid milk plants for such month to the market administrator in the detail and on forms prescribed by the market administrator:

(a) The quantities of skim milk and butterfat contained in receipts of producer milk;

(b) The quantities of skim milk and butterfat contained in fluid milk products received from other fluid milk plants;

(c) The quantities of skim milk and butterfat contained in other source milk;

(d) Inventories of fluid milk products on hand at the beginning and end of the month; and

(e) The utilization of all skim milk and butterfat required to be reported pursuant to this section.

§ 978.31 *Other reports.* (a) Each producer-handler shall make reports to the market administrator at such time and in such manner as the market administrator may request.

(b) Each handler, except a producer-handler, shall report to the market administrator, in the detail and on forms prescribed by the market administrator as follows:

(1) On or before the 6th day after the end of each month for each producer from whom milk was received (i) his name and address, (ii) the total pounds and butterfat content of milk received

from such producer during the month, (iii) for the months of March through August his total pounds of base milk and excess milk separately, and (iv) the amount of any deductions authorized in writing by such producer to be made from payments due for milk delivered;

(2) On or before the 21st day of each month, the name and address of each producer from whom milk was received during the first 15 days of such month; and the pounds of milk so received during said period from such producer; and

(3) On or before the first day in any month during which other source milk is received in the form of fluid milk products his intention to receive such milk, and on or before the last day such milk is received his intention to discontinue such receipts.

§ 978.32 *Records and facilities.* Each handler shall keep adequate records of receipts and utilization of skim milk and butterfat and shall, during the usual hours of business, make available to the market administrator, or his representative, such records and facilities as will enable the market administrator to, (a) verify the receipts and utilization of all skim milk and butterfat and, in case of errors or omissions, ascertain the correct figures; (b) weigh, sample and test for butterfat content all milk and milk products handled; (c) verify deductions authorized by producers and the disbursement of moneys so deducted; and (d) make such examinations of operations, equipment, and facilities as the market administrator deems necessary.

§ 978.33 *Retention of records.* All books and records required under this part to be made available to the market administrator shall be retained by the handler for a period of 3 years to begin at the end of the calendar month to which such books and records pertain; *Provided*, That if within such 3-year period the market administrator notifies the handler in writing that the retention of such books and records, or of specified books and records, is necessary in connection with a proceeding under section 8c (15) (A) of the act or a court action specified in such notice the handler shall retain such books and records, or specified books and records, until further written notification from the market administrator. In either case the market administrator shall give further written notification to the handler promptly upon the termination of the litigation, or when the records are no longer necessary in connection therewith.

CLASSIFICATION OF MILK

§ 978.40 *Skim milk and butterfat to be classified.* The skim milk and butterfat to be reported for fluid milk plants pursuant to § 978.30 shall be classified each month by the market administrator, pursuant to the provisions of §§ 978.41 through 978.45.

§ 978.41 *Classes of utilization.* Subject to the conditions set forth in §§ 978.42 through 978.45, the classes of utilization shall be as follows:

(a) *Class I milk.* Class I milk shall be all skim milk and butterfat; (1) disposed

of in the form of fluid milk products, except those classified pursuant to paragraph (b) (3) of this section, and (2) not specifically accounted for as Class II milk.

(b) *Class II milk.* Class II milk shall be all skim milk and butterfat; (1) used to produce any products other than fluid milk products; (2) contained in inventories of fluid milk products on hand at the end of the month; (3) disposed of and used for livestock feed; and (4) in shrinkage not to exceed 3 percent respectively of the skim milk and butterfat contained in producer milk (except that diverted pursuant to § 978.11) and other source milk: *Provided*, That if shrinkage of skim milk or butterfat is less than 3 percent of such amounts it shall be assigned pro rata respectively to the skim milk and butterfat contained in such producer milk and other source milk.

§ 978.42 *Responsibility of handlers.* All skim milk and butterfat to be classified pursuant to this part shall be classified Class I milk unless the handler who first receives such skim milk and butterfat establishes to the satisfaction of the market administrator that it should be classified Class II milk.

§ 978.43 *Transfers.* (a) Skim milk and butterfat transferred to the fluid milk plant of another handler (except a producer-handler) in the form of fluid milk products shall be classified Class I milk unless the operators of both plants claim utilization thereof in Class II milk in their reports submitted pursuant to § 978.30: *Provided*, That the skim milk or butterfat so assigned to Class II milk for any month shall be limited to the amount thereof remaining in Class II milk in the fluid milk plant(s) of the transferee for such month after the subtraction of other source milk pursuant to § 978.45, and any additional amounts of such skim milk or butterfat shall be assigned to Class I milk.

(b) Skim milk and butterfat transferred to the plant of a producer-handler in the form of fluid milk products, shall be classified as Class I milk.

(c) Skim milk and butterfat transferred or diverted in bulk form as milk, skim milk or cream to a nonfluid milk plant located less than 100 miles from the State Capitol at Nashville, Tennessee, by the shortest hard-surfaced highway distance, as determined by the market administrator, shall be classified Class I milk unless, (1) the transferring or diverting handler claims classification in Class II milk in his report submitted to the market administrator pursuant to § 978.30 for the month within which such transaction occurred, (2) the operator of the nonfluid milk plant maintains books and records showing the utilization of all skim milk and butterfat at such plant which are made available if requested by the market administrator for the purpose of verification, and (3) not less than an equivalent amount of skim milk and butterfat was actually utilized in the nonfluid milk plant in the use indicated in such report: *Provided*, That if it is found that an equivalent amount of skim milk and butterfat was not actually used in such plant during the month in such indicated use the

pounds transferred in excess of such actual use shall be classified Class I milk.

(d) Skim milk and butterfat transferred in bulk form as cream to a non-fluid milk plant located 100 miles or more from the State Capitol in Nashville, Tennessee, by the shortest hard-surfaced highway distance, as determined by the market administrator, shall be classified Class I milk unless, (1) the transferring handler claims classification in Class II milk in his report submitted to the market administrator pursuant to § 978.30, (2) such cream is disposed of and used as other than Grade A under a Grade A certification or label, (3) the handler attaches tags or labels to each container of such cream bearing the words "for manufacturing uses only," (4) the handler gives the market administrator sufficient notice to allow him to verify or inspect such shipment, and (5) the operator of the nonfluid milk plant maintains books and records showing the utilization of all skim milk and butterfat at such plant which are made available if requested by the market administrator for the purpose of verification.

§ 978.44 *Computation of skim milk and butterfat in each class.* For each month, the market administrator shall correct for mathematical and other obvious errors the reports of each handler submitted pursuant to § 978.30 and compute the total pounds of skim milk and butterfat, respectively, in Class I milk and Class II milk in the fluid milk plant(s) of such handler.

§ 978.45 *Allocation of skim milk and butterfat classified.* After making the computations pursuant to § 978.44, the market administrator shall determine the classification of producer milk for each handler as follows:

(a) Skim milk shall be allocated in the following manner:

(1) Subtract from the total pounds of skim milk in Class II milk the pounds of skim milk in producer milk classified pursuant to § 978.41 (b) (4);

(2) Subtract from the remaining pounds of skim milk in Class II milk the pounds of skim milk in other source milk: *Provided*, That if the pounds of skim milk in other source milk are greater than the remaining pounds of skim milk in Class II milk, an amount equal to the excess shall be subtracted from the pounds of skim milk in Class I milk;

(3) Subtract from the remaining pounds of skim milk in Class II milk the pounds of skim milk contained in inventory of fluid milk products on hand at the beginning of the month: *Provided*, That if the pounds of skim milk in such inventory are greater than the remaining pounds of skim milk in Class II milk, an amount equal to the excess shall be subtracted from the pounds of skim milk in Class I milk;

(4) Subtract from the remaining pounds of skim milk in each class the pounds of skim milk transferred from the fluid milk plants of other handlers in the form of fluid milk products according to the classification thereof as determined pursuant to § 978.43 (a);

(5) Add to the remaining pounds of skim milk in Class II milk the pounds of skim milk subtracted pursuant to subparagraph (1) of this paragraph; and

(6) If the remaining pounds of skim milk in both classes exceed the pounds of skim milk contained in producer milk, subtract such excess from the remaining pounds of skim milk in series beginning with Class II milk. Any amount so subtracted shall be known as "overage."

(b) Butterfat shall be allocated in accordance with the same procedure outlined for skim milk in paragraph (a) of this section; and

(c) Add the pounds of skim milk and the pounds of butterfat allocated to producer milk in each class, pursuant to paragraphs (a) and (b) of this section, and determine the percentage of butterfat in each class.

MINIMUM PRICES

§ 978.50 *Basic formula price.* The basic formula price shall be the highest of the prices per hundredweight for milk of 4.0 percent butterfat content computed pursuant to paragraphs (a), (b), (c) or (d) of this section, rounded to the nearest whole cent.

(a) To the average of the basic (or field) prices reported to have been paid or to be paid per hundredweight for milk of 3.5 percent butterfat content received from farmers during the month at the following milk plants for which prices have been reported to the market administrator or to the Department of Agriculture on or before the 5th day after the end of the month:

Location and Present Operator

Borden Company, Mount Pleasant, Mich.
Borden Company, New London, Wis.
Borden Company, Orfordville, Wis.
Carnation Company, Oconomowoc, Wis.
Carnation Company, Richland Center, Wis.
Carnation Company, Sparta, Mich.
Pet Milk Company, Belleville, Wis.
Pet Milk Company, Coopersville, Mich.
Pet Milk Company, Hudson, Mich.
Pet Milk Company, New Glarus, Wis.
Pet Milk Company, Wayland, Mich.
White House Milk Company, Manitowoc, Wis.

White House Milk Company, West Bend, Wis.

add an amount computed by multiplying the butterfat differential computed pursuant to § 978.82 by 5.

(b) The price per hundredweight obtained by adding any plus amounts obtained pursuant to subparagraphs (1) and (2) of this paragraph:

(1) Multiplying by 4.0 the average as computed by the market administrator of the daily wholesale selling prices (using the midpoint of any price range as one price) of 92-score bulk creamery butter per pound at Chicago, as reported by the Department of Agriculture during the month, and add 20 percent thereof;

(2) From the weighted average of the carlot prices per pound for nonfat dry milk solids, spray and roller process, respectively, for human consumption, f. o. b. manufacturing plants in the Chicago area, as published for the period from the 26th day of the immediately preceding month through the 25th day of the current month by the Depart-

ment of Agriculture, subtract 5 cents and multiply by 7.5.

(c) The average of the basic (or field) prices reported to have been paid or to be paid per hundredweight for milk of 4.0 percent butterfat content received from farmers during the month at the following milk plants for which prices have been reported to the market administrator or to the Department of Agriculture on or before the 6th day after the end of the month;

Location and Present Operator

Cudahy Packing Company, Lafayette, Tenn.

Carnation Company, Murfreesboro, Tenn.

Kraft Foods Company, Gallatin, Tenn.

Kraft Foods Company, Pulaski, Tenn.

Borden Company, Fayetteville, Tenn.

Borden Company, Lewisburg, Tenn.

Lakeshire-Marty Cheese Company, Carthage, Tenn.

Sumner County Cooperative Creamery, Gallatin, Tenn.

Swift & Company, Lawrenceburg, Tenn.

Wilson & Company, Murfreesboro, Tenn.

(d) The price per hundredweight computed as follows:

(1) Multiply by 6 the average daily wholesale price per pound of 92-score butter in the Chicago market, as reported by the Department of Agriculture during the month;

(2) Add 2.4 times the average of the weekly prevailing price per pound of "Twins" during the month on the Wisconsin Cheese Exchange at Plymouth, Wisconsin: *Provided*, That if the price of "Twins" is not quoted on such Exchange, the weekly prevailing price per pound of "Cheddars" shall be used; and

(3) Divide by 7, add 30 percent thereof, and then multiply by 4.

§ 978.51 *Class prices.* Subject to the provisions of §§ 978.52 and 978.53, the class prices per hundredweight for the month shall be as follows:

(a) *Class I milk price.* The Class I milk price shall be the basic formula price for the preceding month, plus \$1.40 during the months of September through February, and plus \$1.10 during all other months, plus or minus a supply-demand adjustment calculated for each month after December 1955 as follows:

(1) Divide the total hundredweight of producer milk of all fluid milk plants for the twelve-month period ending with the beginning of the preceding month, by the net hundredweight of Class I milk disposed of from all fluid milk plants during the same period and multiply by 100. The resulting figure rounded to the nearest whole percentage shall be known as the utilization ratio.

(2) For each percentage by which the utilization ratio calculated for the month pursuant to subparagraph (1) of this paragraph exceeds 130 subtract from, or for each percentage by which it is less than 125 add to, the Class I price, 1 cent.

(b) *Class II milk price.* The Class II milk price shall be the price determined pursuant to § 978.50 (c) plus 15 cents during the months of February through August, and plus 25 cents during all other months: *Provided*, That in no case shall such price exceed the basic formula price.

§ 978.52 *Butterfat differentials to handlers.* For milk containing more or less than 4.0 percent butterfat, the class prices for the month calculated pursuant to § 978.51 shall be increased or decreased, respectively, for each one-tenth percent variation in butterfat content at the appropriate rate determined as follows:

(a) *Class I price.* Multiply by 0.12 the average of the daily wholesale prices (using the midpoint of any price range as one price) of 92-score bulk creamery butter per pound at Chicago, as reported by the Department of Agriculture during the previous month, and round to the nearest one-tenth cent.

(b) *Class II price.* Multiply by 0.115 the average of the daily wholesale prices (using the midpoint of any price range as one price) of 92-score bulk creamery butter per pound at Chicago, as reported by the Department of Agriculture during the month, and round to the nearest one-tenth cent.

§ 978.53 *Location differentials to handlers.* For that milk which is received from producers at a fluid milk plant located outside the marketing area and 50 miles or more from the State Capitol, Nashville, Tennessee, by shortest hard-surfaced highway distance, as determined by the market administrator, and which is transferred to another fluid milk plant in the form of fluid milk products and assigned to Class I milk pursuant to the proviso of this section, or otherwise classified as Class I milk, the price specified in § 978.51 (a) shall be reduced at the rate set forth in the following schedule according to the location of the fluid milk plant where such milk is received from producers:

Distance from the State Capitol, Nashville, Tenn. (miles):	Rate per hundred- weight (cents)
50 but not more than 60.....	10.0
For each additional 10 miles or frac- tion thereof an additional.....	1.5

Provided, That for purpose of calculating such location differential, fluid milk products which are transferred between fluid milk plants shall be assigned to any remainder of Class II milk in the plant to which transferred after making the calculations prescribed in § 978.45 (a) (1), (2) and (3), and the comparable steps in § 978.45 (b) for such plant, such assignment to the plant from which transferred to be made in sequence according to the location differential applicable at each plant, beginning with the plant having the largest differential.

DETERMINATION OF BASE

§ 978.60 *Computation of daily average base for each producer.* Subject to the rules set forth in § 978.61, the daily average base for each producer shall be an amount calculated by dividing the total pounds of producer milk received from such producer at all fluid milk plants during the months of September through February immediately preceding, by the number of days from the first day of delivery by such producer during such months to the last day of February, inclusive, or by 120, whichever is more.

§ 978.61 *Base rules.* The following rules shall apply in connection with the establishment and assignment of bases:

(a) Subject to the provisions of paragraph (b) of this section, the market administrator shall assign a base as calculated pursuant to § 978.60 to each person for whose account producer milk was delivered to fluid milk plants during the months of September through February.

(b) An entire base or any portion thereof shall be transferred from a person holding such base to any other person effective as of the end of any month during which an application for such transfer is received by the market administrator, such application to be on forms approved by the market administrator, and signed by the baseholder, or his heirs, and by the person to whom such base is to be transferred: *Provided,* That if a base is held jointly, the entire base or any portion thereof shall be transferrable only upon the receipt of such application signed by all joint holders or their heirs.

§ 978.62 *Announcement of established bases.* On or before March 25, of each year, the market administrator shall notify each producer and the handler receiving milk from such producer of the daily average base established by such producer.

DETERMINATION OF UNIFORM PRICES

§ 978.70 *Net obligation of handlers.* The net obligation of each handler for producer milk received at his fluid milk plant(s) each month shall be a sum of money computed by the market administrator as follows: (a) Multiply the total pounds of such milk in each class by the applicable class price; (b) add together the resulting amounts; (c) add the amounts computed by multiplying the pounds of overage deducted from each class pursuant to § 978.45 (a) (6) and (b) by the applicable class price; and (d) add the amount computed by multiplying the difference between the appropriate Class II price for the preceding month and the appropriate Class I price for the current month by the hundredweight of skim milk and butterfat in Class II milk after making the calculations for such handler pursuant to § 978.45 (a) (4) and (b) for the preceding month, or by the hundredweight of milk subtracted from Class I milk pursuant to § 978.45 (a) (3) and (b) for the current month, whichever is less.

§ 978.71 *Computation of uniform prices for handlers.* For each of the months of September through February the market administrator shall compute a uniform price for the producer milk received by each handler as follows:

(a) Add to the amount computed for such handler pursuant to § 978.70 the sum of the location differential deductions to be made pursuant to § 978.82 (b);

(b) Add or subtract for each one-tenth percent that the average butterfat content of producer milk received by such handler is less or more, respectively, than 4.0 percent, an amount computed by multiplying such difference by the butterfat differential to producers, and multiplying the result by the total hundredweight of his producer milk;

(c) Add the amount remaining in the reserve fund for such handler; and

(d) Divide the resulting amount by the total hundredweight of producer milk received by such handler; and

(e) Subtract not less than 4 cents nor more than 5 cents. The resulting figure shall be known as the uniform price for such handler for milk of 4.0 percent butterfat content, f. o. b. marketing area.

§ 978.72 *Computation of the uniform prices for base milk and for excess milk for handlers.* For each of the months of March through August, the market administrator shall compute uniform prices for base milk and for excess milk received by each handler as follows:

(a) Add to the amount computed for such handler pursuant to § 978.70 the sum of the location differential deductions to be made pursuant to § 978.82 (b);

(b) Add or subtract for each one-tenth percent that the average butterfat content of producer milk received by such handler is less or more, respectively, than 4.0 percent, an amount computed by multiplying such difference by the butterfat differential to producers, and multiplying the result by the total hundredweight of his producer milk;

(c) Add the amount remaining in the reserve fund for such handler;

(d) Subject to the conditions set forth in paragraph (e) of this section, compute the value of excess milk received by such handler from producers by multiplying the quantity of such milk by the Class II price;

(e) Compute the value of base milk received by such handler from producers by subtracting the value obtained pursuant to paragraph (d) of this section from the total value obtained pursuant to paragraph (c) of this section: *Provided,* That if such resulting value is greater than an amount computed by multiplying the pounds of such base milk by the Class I price, such excess value shall be added to the value computed pursuant to paragraph (d) of this section;

(f) Divide the value obtained pursuant to paragraph (e) of this section by the hundredweight of base milk for such handler;

(g) Subtract not less than 4 cents, nor more than 5 cents. This result, less any fraction of a cent per hundredweight, shall be known as the uniform price for such handler for base milk of 4.0 percent butterfat content, f. o. b. marketing area; and

(h) Divide the value obtained pursuant to paragraph (d) of this section by the hundredweight of excess milk in the producer milk of such handler. This result, less any fraction of a cent per hundredweight, shall be known as the uniform price for such handler for excess milk of 4.0 percent butterfat content, f. o. b. marketing area.

§ 978.73 *Notification of handlers.* On or before the 10th day after the end of each month, the market administrator shall mail to each handler, at his last known address, a statement showing:

(a) The amount of his producer milk allocated to each class;

(b) The calculation of such handler's net obligation pursuant to § 978.70;

(c) The uniform price(s) computed for such handler pursuant to §§ 978.71 and 978.72 and the producer butterfat differential computed pursuant to § 978.82 (a); and

(d) The amounts to be paid by such handler pursuant to §§ 978.80, 978.85 and 978.87.

PAYMENTS

§ 978.80 *Payments to market administrator.* (a) On or before the 25th day of each month each handler shall pay to the market administrator for deposit into the reserve fund for such handler a sum of money calculated by multiplying the hundredweight of producer milk received by him during the first 15 days of such month by the Class II price for the preceding month.

(b) On or before the 12th day after the end of each month each handler shall pay to the market administrator for deposit into the handler's reserve fund an amount of money equal to such handler's net obligation for such month as determined pursuant to § 978.70 less payments made pursuant to paragraph (a) of this section for such month and less proper deductions authorized in writing by producers from whom such handler received milk.

§ 978.81 *Payments to producers.* (a) On or before the last day of each month the market administrator shall make payment to each producer for milk received from such producer during the first 15 days of such month by handlers from whom the appropriate payments have been received pursuant to § 978.80 (a) at not less than the Class II price per hundredweight for the preceding month.

(b) On or before the 15th day after the end of each month the market administrator shall make payment to each producer for milk received from such producer during the month by handlers from whom the appropriate payments have been received pursuant to § 978.80 (b) for each of the months of September through February, at not less than the uniform price for such handler computed pursuant to § 978.71, or for each of the months of March through August, for base milk and excess milk received from such producer at not less than the uniform price(s) of such handler for base milk and excess milk, respectively, computed pursuant to § 978.72, subject to the following adjustments: (1) Butterfat and location differentials pursuant to § 978.82, (2) less payments made pursuant to paragraph (a) of this section, (3) less marketing service, deductions pursuant to § 978.86, (4) less proper deductions authorized in writing by the producer, and (5) adjusted for any error in calculating payment to such individual producer for past months: *Provided*, That if the market administrator has not received full payment from any handler for such month pursuant to § 978.80, he shall reduce uniformly per hundredweight his payments due such handler's producers for milk received by such handler by a total amount not in excess of the amount due from such handler: *Provided further*, That the market administrator shall make such balance of payment to such pro-

ducers on or before the next date for making payments pursuant to this paragraph following that on which such balance of payment is received from such handler.

(c) In making payments to producers pursuant to paragraphs (a) and (b) of this section the market administrator shall pay, on or before the second day prior to the date payments are due to individual producers, to a cooperative association which is authorized to collect payment for milk of its members and from which a written request for such payment has been received, a total amount equal to but not less than the sum of the individual payments otherwise payable to such producers pursuant to this section.

§ 978.82 *Butterfat and location differentials to producers.* (a) The applicable uniform prices to be paid each producer pursuant to § 978.81 (b) shall be increased or decreased for each one-tenth of one percent which the average butterfat content of his milk is above or below 4.0 percent, respectively, at the rate determined by multiplying the average of the daily wholesale prices per pound of 92-score butter in the Chicago market as reported by the Department of Agriculture during the month in which the milk was received by 0.12 and adjusting to the nearest even one-tenth of a cent.

(b) In making payment to producers pursuant to § 978.81 (b), the applicable uniform prices to be paid for producer milk received at a fluid milk plant located 50 miles or more from the State Capitol, Nashville, Tennessee, by the shortest hard-surfaced highway distance, as determined by the market administrator, shall be reduced according to the location of the fluid milk plant where such milk was received at the following rate:

Distance from the State Capitol, Nashville, Tenn. (miles):	Rate per hundred- weight (cents)
50 but not more than 60-----	10.0
For each additional 10 miles or frac- tion thereof an additional-----	1.5

§ 978.83 *Statement to producers.* In making payments required by § 978.81 (b) the market administrator shall furnish each producer or cooperative association with a supporting statement in such form that it may be retained by the producer or cooperative association which shall show:

(a) The month and the identity of the handler and of the producer;

(b) The total pounds and the average butterfat content of milk delivered by the producer including for the months of March through August, the pounds of base milk and excess milk;

(c) The minimum rate or rates at which payment to the producer or cooperative association is required under the provisions of §§ 978.81 and 978.82;

(d) The amount or the rate per hundredweight of each deduction claimed by the handler including any deduction made pursuant to § 978.86 together with a description of the respective deductions; and

(e) The net amount of payment to the producer or cooperative association.

§ 978.84 *Reserve funds.* The market administrator shall maintain for each handler a reserve fund into which he shall deposit the appropriate payments made by such handler pursuant to §§ 978.80 and 978.87, and out of which he shall make the appropriate payments required for such handler pursuant to §§ 978.81 and 978.87.

§ 978.85 *Expense of administration.* As his pro rata share of this part, each handler shall pay to the market administrator, on or before the 15th day after the end of each month, 4 cents per hundredweight or such lesser amount as the Secretary may prescribe, with respect to receipts, during the month, of (a) producer milk (including such handler's own production), and (b) other source milk allocated to Class I milk pursuant to § 978.45.

§ 978.86 *Marketing services.* (a) Except as set forth in paragraph (b) of this section, the market administrator in making payments to producers pursuant to § 978.81, shall deduct an amount not exceeding 6 cents per hundredweight or such lesser amount as the Secretary may prescribe, with respect to milk received by handler(s) from producers during the month. Such moneys shall be used by the market administrator to provide market information and to check the accuracy of the testing and weighing of their milk for producers who are not receiving such service from a cooperative association. Such services shall be performed in whole or in part by the market administrator or by an agent engaged by and responsible to him.

(b) In the case of producers who are members of a cooperative association which the Secretary determines is performing the services specified in paragraph (a) of this section for its members, the market administrator shall, in lieu of the deductions provided in paragraph (a) of this section, make such deductions as are authorized by such producers, and on or before the 15th day after the end of each month, pay the money so deducted to such cooperative association.

§ 978.87 *Adjustment of accounts.* Whenever audit by the market administrator of any handler's reports, books, records, or accounts or other verification discloses errors, resulting in money due the market administrator from such handler, or due such handler from the market administrator, the market administrator shall promptly notify such handler of any amount so due and payment thereof shall be made on or before the next date for making payments set forth in the provisions under which such error occurred.

§ 978.88 *Termination of obligations.* The provisions of this section shall apply to any obligation under this part for the payment of money irrespective of when such obligation arose, except an obligation involved in an action instituted before March 1, 1950, under section 8c (15). (A) of the act or before a court.

(a) The obligation of any handler to pay money required to be paid under the terms of this part, shall, except as

provided in paragraphs (b) and (c) of this section, terminate two years after the last day of the calendar month during which the market administrator receives the handler's utilization report on the milk involved in such obligations, unless within such two-year period the market administrator notifies the handler in writing that such money is due and payable. Service of such notice shall be complete upon mailing to the handler's last known address, and it shall contain but need not be limited to the following information:

- (1) The amount of the obligation;
- (2) The month(s) during which the milk, with respect to which the obligation exists, was received or handled; and
- (3) If the obligation is payable to one or more producers or to an association of producers, the name of such producer(s) or association of producers, or if the obligation is payable to the market administrator, the account for which it is to be paid.

(b) If a handler fails or refuses, with respect to any obligation under this part, to make available to the market administrator or his representatives all books and records required by this part to be made available, the market administrator may, within the two-year period provided for in paragraph (a) of this section, notify the handler in writing of such failure or refusal. If the market administrator so notifies a handler the said two-year period with respect to such obligation shall not begin to run until the first day of the calendar month following the month during which all such books and records pertaining to such obligation are made available to the market administrator or his representative.

(c) Notwithstanding the provisions of paragraphs (a) and (b) of this section, a handler's obligation under this order to pay money shall not be terminated with respect to any transaction involving fraud or willful concealment of a fact, material to the obligation, on the part of the handler against whom the obligation is sought to be imposed.

(d) Any obligation on the part of the market administrator to pay a handler any money which such handler claims to be due him under the terms of this part shall terminate two years after the end of the calendar month during which the milk involved in the claim was received if an underpayment is claimed, or two years after the end of the calendar month during which the payment (including deduction or set-off by the market administrator) was made by the handler if a refund on such payment is claimed, unless such handler, within the applicable period of time, files, pursuant to section 8c (15) (A) of the act, a petition claiming such money.

APPLICATION OF PROVISIONS

§ 978.90 *Producer-handlers.* Sections 978.40 through 978.45, 978.50 through 978.53, 978.60 through 978.62, 978.70 through 978.73, and 978.80 through 978.87 shall not apply to a producer-handler.

§ 978.91 *Plants subject to other Federal orders.* A plant specified in para-

graph (a) or (b) of this section shall be treated as a nonfluid milk plant except that the operator of such plant shall, with respect to the total receipts and utilization or disposition of skim milk and butterfat at the plant, make reports to the market administrator at such time and in such manner as the market administrator may require (in lieu of the reports required pursuant to § 978.30), and allow verification of such reports by the market administrator.

(a) Any plant qualified pursuant to § 978.8 (a) which would otherwise be subject to the classification and pricing provisions of another order issued pursuant to the act, unless a greater volume of Class I milk is disposed of from such plant to retail or wholesale outlets (except fluid milk plants) in the Nashville marketing area than in the marketing area regulated pursuant to such other order.

(b) Any plant qualified pursuant to § 978.8 (b) or (c) which would be subject to the classification and pricing provisions of another order issued pursuant to the act, unless such plant qualified as a fluid milk plant pursuant to § 978.8 (c) for each of the preceding months of September through December.

EFFECTIVE TIME, SUSPENSION OR TERMINATION

§ 978.100 *Effective time.* The provisions of this part or any amendments to this part shall become effective at such time as the Secretary may declare and shall continue in force until suspended or terminated.

§ 978.101 *Suspension or termination.* The Secretary shall suspend or terminate any or all of the provisions of this part, whenever he finds that it obstructs or does not tend to effectuate the declared policy of the act. This part shall, in any event, terminate whenever the provisions of the act authorizing it cease to be in effect.

§ 978.102 *Continuing power and duty of the market administrator.* (a) If, upon the suspension or termination of any or all of the provisions of this part, there are any obligations arising under this part, the final accrual or ascertainment of which requires further acts by any handler, by the market administrator, or by any other person, the power and duty to perform such further acts shall continue notwithstanding such suspension or termination: *Provided*, That any such acts required to be performed by the market administrator, shall, if the Secretary so directs, be performed by such other person, persons, or agency as the Secretary may designate.

(b) The market administrator, or such other person as the Secretary may designate, shall (1) continue in such capacity until discharged by the Secretary; (2) from time to time account for all receipts and disbursements and deliver all funds or property on hand, together with the books and records of the market administrator, or such person, to such person as the Secretary shall direct; and (3) if so directed by the Secretary execute such assignments or other instruments necessary or appropriate to

vest in such person full title to all funds, property, and claims vested in the market administrator or such person pursuant thereto.

§ 978.103 *Liquidation after suspension or termination.* Upon the suspension or termination of any or all provisions of this part, the market administrator, or such person as the Secretary may designate, shall, if so directed by the Secretary, liquidate the business of the market administrator's office, and dispose of all funds and property then in his possession or under his control, together with claims for any funds which are unpaid or owing at the time of such suspension or termination. Any funds collected pursuant to the provisions of this part, over and above the amounts necessary to meet outstanding obligations and the expenses necessarily incurred by the market administrator, or such person in liquidating and distributing such funds, shall be distributed to the contributing handlers and producers in an equitable manner.

MISCELLANEOUS PROVISIONS

§ 978.110 *Separability of provisions.* If any provision of this part, or its application to any person or circumstances, is held invalid, the application of such provision, and of the remaining provisions of this part, to other persons or circumstances shall not be affected thereby.

§ 978.111 *Agents.* The Secretary may, by designation in writing, name any officer or employee of the United States to act as his agent or representative in connection with any of the provisions of this part.

[F. R. Doc. 55-2628; Filed, Mar. 29, 1955; 8:55 a. m.]

FEDERAL COMMUNICATIONS COMMISSION

[47 CFR Part 3]

[Docket No. 11312; FCC 55-353]

TELEVISION BROADCAST STATIONS; TABLE OF ASSIGNMENTS

NOTICE OF PROPOSED RULE MAKING AND ORDER TO SHOW CAUSE

In the matter of amendment of § 3.606 *Table of assignments*, rules governing Television Broadcast Stations; Docket No. 11312.

1. Notice is hereby given that the Commission has received a proposal for rule making in the above-entitled matter.

2. Mt. Mansfield Television, Inc., permittee of television station WMTV operating on Channel 3 at Montpelier, Vermont, filed a petition on January 26, 1955, requesting that the Table of Assignments, contained in § 3.606 of the rules governing Television Broadcast Stations be amended so as to shift Channel 3 to Burlington, Vermont, from Montpelier, Vermont. Petitioner further requests that the Commission order it to Show Cause why its outstanding authorization should not be modified to specify operation on Channel 3 at Burlington rather than Montpelier, in order that it may operate with permanent studios at

Burlington. Station WMVT is the only existing or authorized station in the State of Vermont, and there are no applications on file for Channel 40, also assigned to Montpelier, nor for Channel 16, the educational reservation, or Channel 22, assigned to Burlington.

3. In support of its requested amendment and Show Cause Order, petitioner notes that Channel 3 is the only VHF assignment in the State of Vermont; that it is the permittee of Station WMVT on Channel 3 in Montpelier with temporary studios authorized at Burlington, and that its present transmitter site, located on Mt. Mansfield, 28 miles from Montpelier and 20 miles from Burlington, provides greater than the required "principal-city" coverage over the entire City of Burlington. Petitioner urges adoption of the proposed amendment for the reasons that Burlington is the largest city in Vermont and the terminal for network programs; that Burlington affords greater opportunity for local programming than does Montpelier because of the number of educational, religious and farming organizations located there; that Burlington is more accessible to the majority of the people in Vermont than is Montpelier, and that operation of Station WMVT from studios in Burlington is more convenient and economical since only a one-hop STL is necessary between studios located in Burlington and the transmitter site whereas two such hops are needed for studios located in Montpelier.

4. The Commission is of the view that rule-making proceedings should be instituted in this matter in order that interested parties may submit their views. The subject petition is made a part of this docket.

5. Authority for the adoption of the proposed amendment is contained in sections 4 (i), 301, 303 (c), (d), (f), and (r), 307 (b), and 316 of the Communications Act of 1934, as amended.

6. Any interested party who is of the opinion that the amendment proposed by petitioner should not be adopted or should not be adopted in the form set forth herein may file with the Commission on or before April 22, 1955, a written statement or brief setting forth his comments. Comments in support of the proposed amendment may also be filed on or before the same date. Comments or briefs in reply to the original comments may be filed within 10 days from the last day for filing said original comments or briefs. No additional comments may be filed unless (1) specifically requested by the Commission, or (2) good cause for the filing of such additional comments is established. The Commission will consider the comments that are submitted before taking action in this matter, and if any comments appear to warrant the holding of a hearing or oral argument, notice of the time and place of such hearing or oral argument will be given.

7. In accordance with the provisions of § 1.764 of the Commission's rules and regulations, an original and 14 copies of all statements, briefs, or comments shall be furnished the Commission.

8. Mt. Mansfield Television, Inc., is presently operating Station WMVT on

Channel 3 at Montpelier, Vermont, and the rule-making proposed herein would shift this channel to Burlington. Station WMVT proposes that it continue operation on Channel 3 by becoming a Burlington station with its main studio located in that community. Accordingly, Mt. Mansfield Television, Inc., is ordered to show cause in this proceeding why its outstanding authorization should not be modified to specify operation on Channel 3 at Burlington in lieu of Montpelier, Vermont. A reply in writing to the aforesaid Order to Show Cause should be filed by Mt. Mansfield Television, Inc., on or before the date specified for filing comments in this proceeding.

Adopted: March 23, 1955.

Released: March 24, 1955.

FEDERAL COMMUNICATIONS
COMMISSION,

[SEAL] MARY JANE MORRIS,
Secretary.

[F. R. Doc. 55-2620; Filed, Mar. 29, 1955;
8:52 a. m.]

[47 CFR Part 3]

[Docket No. 11313; FCC 55-355]

TELEVISION BROADCAST STATIONS; TABLE OF ASSIGNMENTS

NOTICE OF PROPOSED RULE MAKING

In the matter of amendment of § 3.606, Table of assignments, rules governing Television Broadcast Stations; Docket No. 11313.

1. Notice is hereby given that the Commission has received a proposal for rule making in the above-entitled matter.

2. The Commission's Table of Television Channel Assignments contained in § 3.606 of its rules presently makes no assignments to Pittsburg-Antioch, California. Capital City TV Corporation filed a petition on January 31, 1955, requesting that rule-making proceedings be instituted to amend the Table of Assignments by assigning Channel 16 to Pittsburg-Antioch. An amended petition was filed on March 2, 1955. Petitioner suggests that this assignment may be accomplished by two alternative methods as follows:

City	Channel No.	
	Present	Proposed
(a) Pittsburg-Antioch, Calif.	None	16
Red Bluff, Calif.	16	15
Santa Cruz, Calif.	16	56
(b) Pittsburg-Antioch, Calif.	None	16
Red Bluff, Calif.	16	15
Santa Cruz, Calif.	16	28
Salinas-Monterey, Calif.	8+, 35	8+, 31+

3. In support of the requested amendment, petitioner urges that the communities of Pittsburg and Antioch have a combined population of 23,814 persons; that no assignments have been made to these communities although smaller cities in California do have channels assigned by the Table; that the proposed assignments can be accomplished in conformity with the Commission's rules; that no applications have been filed for

the assignments that would be affected by petitioner's request; and that petitioner proposes to file an application for a television station at Pittsburg-Antioch in the event Channel 16 is assigned.

4. The Commission is of the view that rule making proceedings should be instituted in this matter in order that interested parties may submit their views to the Commission and the Commission may be apprised of such views prior to taking further action.

5. Authority for the adoption of the proposed amendment is contained in sections 4 (i), 301, 303 (c), (d), (f), and (r), and 307 (b) of the Communications Act of 1934, as amended.

6. Any interested party who is of the opinion that the amendment proposed by the petitioner should not be adopted, or should not be adopted in the form set forth herein, may file with the Commission on or before April 22, 1955, a written statement or brief setting forth his comments. Comments in support of the proposed amendment may also be filed on or before the same date. Comments or briefs in reply to the original comments may be filed within 10 days from the last day for filing said original comments or briefs. No additional comments may be filed unless (1) specifically requested by the Commission or (2) good cause for the filing of such additional comments is established. The Commission will consider all such comments that are submitted before taking action in this matter, and if any comments appear to warrant the holding of a hearing or oral argument, notice of the time and place of such hearing or oral argument will be given.

7. In accordance with the provisions of § 1.764 of the Commission's rules and regulations, an original and 14 copies of all statements, briefs, or comments shall be furnished the Commission.

Adopted: March 23, 1955.

Released: March 24, 1955.

FEDERAL COMMUNICATIONS
COMMISSION,

[SEAL] MARY JANE MORRIS,
Secretary.

[F. R. Doc. 55-2621; Filed, Mar. 29, 1955;
8:52 a. m.]

[47 CFR Part 9]

[Docket No. 11311; FCC 55-342]

AVIATION SERVICES

NOTICE OF PROPOSED RULE MAKING

In the matter of amendment of Part 9 of the Commission's rules governing Aviation Services, to include frequencies for the Aeronautical Mobile (R) Service in the exclusive bands between 2850 kc and 27,500 kc; Docket No. 11311.

1. Notice is hereby given of proposed rule making in the above-entitled matter.

2. It is proposed to amend Part 9 of the Commission's rules governing Aviation Services, as set forth below, to implement that portion of the Agreement concluded at the Extraordinary Administrative Radio Conference (Geneva

1951) which made certain frequencies in the bands between 2850 and 27,500 kc available for assignment to aircraft and aeronautical enroute stations.

3. The Radio Regulations of the International Telecommunications Union, Atlantic City, 1947, allocated, among others, certain bands between 2850 and 27,500 kc to the Aeronautical Mobile (R) Service, reserved for communications between aircraft and aeronautical stations primarily concerned with the safety and regularity of flight along national or international air routes.

4. The Commission proposes to make the aeronautical mobile (R) frequencies available for assignment to U. S. aeronautical enroute stations in accordance with the EARC Plan. Aeronautical enroute stations may continue to use such frequencies presently authorized, but not in accordance with the EARC Plan, until further notice by the Commission.

5. This proposed amendment is issued pursuant to the authority contained in sections 303 (c), (f) and (r) of the Communications Act of 1934, as amended, the Final Acts of the International Telecommunications and Radio Conference, Atlantic City (1947), and the Agreement concluded at the Extraordinary Administrative Radio Conference (Geneva, 1951).

6. Any interested person who is of the opinion that the proposed amendment should not be adopted, or should not be adopted in the form set forth herein, may file with the Commission on or before May 2, 1955, written data, views or arguments setting forth his comments. Comments in support of the proposed amendment may also be filed on or before the same date. Comments in reply to the original comments may be filed within 10 days from the last day for filing the said original data, views or arguments. No additional comments may be filed unless (1) specifically requested by the Commission or (2) good cause for the filing of such additional comments is established. The Commission will consider all such comments prior to taking final action in this matter, and if comments are submitted warranting oral argument, notice of the time and place of such oral argument will be given.

7. In accordance with the provisions of § 1.764 of the Commission's rules and regulations an original and 14 copies of all statements, briefs or comments filed shall be furnished the Commission.

Adopted: March 23, 1955.

Released: March 24, 1955.

FEDERAL COMMUNICATIONS
COMMISSION,

[SEAL] MARY JANE MORRIS,
Secretary.

1. Section 9.321 (d) is amended to read as follows:

(d) The aeronautical frequencies listed under §§ 9.432 through 9.440 are also available to air carrier aircraft upon showing that agreements have been made with the licensee of appropriate ground stations.

No. 62—11

2. Section 9.331 (d) is amended to read as follows:

(d) The aeronautical frequencies listed under §§ 9.432 through 9.440 are also available to private aircraft upon showing that a need exists and that agreements have been made with the licensee of appropriate ground stations.

3. Designate the first paragraph of § 9.432 as paragraph (a).

4. Delete present § 9.432 (a), (a) (1) (i) through (vii), (b), (b) (1) through (6) and substitute the following:

(b) Frequencies in the bands allocated to the aeronautical mobile (R) service in accordance with the provisions of the Extraordinary Administrative Radio Conference (Geneva 1951).

(c) Frequencies allocated to the aeronautical mobile (R) service in addition to those listed in §§ 9.433 through 9.439 may be assigned upon the showing that a need exists, and that such use would not result in harmful interference to other stations operating in accordance with the provisions of the EARC Agreement (Geneva, 1951).

(d) Applications for the use of frequencies allocated to the aeronautical mobile (R) service, not in accordance with §§ 9.433 through 9.439, shall be accompanied by a showing that a need exists and that such use would not result in harmful interference to other stations operating in accordance with the EARC Agreement (Geneva 1951).

(e) Frequencies in the band 126.8–132.0 Mc. Although present channel spacing is 200 kc, additional intermediate frequencies at 100 or 50 kc spacing may be authorized upon a showing that harmful interference will not be caused to aeronautical enroute stations operating on VHF frequencies listed in §§ 9.433 through 9.436 and § 9.440.

5. Section 9.433 is added to read as follows:

§ 9.433 *Continental U. S.* Frequencies available for assignment to serve domestic routes in the continental U. S. are as follows:

(a)				
2854	3453.5	5634	6657	
2896	3495.5	5656.5	6672	
2903	4654.5	6529.5	8854	
2910	4668.5	6537	8956	
2924	4682.5	6544.5	10012	
2938	5469	6559.5	10030	
2945	5476.5	6574.5	10066	
2959	5484	6589.5	10075	
2966	5491.5	6604.5	10093	
2994	5506.5	6619.5	11280.5	
3001	5529	6627	11347	
3015	5544	6634.5	11394.5	
3418.5	5589	6642		
3432.5	5596.5	6649.5		

6. Section 9.435 is added to read as follows:

§ 9.435 *Territory of Hawaii.* Frequencies available for assignment to serve domestic routes in the Territory of Hawaii are as follows:

(a)				
3453.5 kc	5559	6649.5		
(b)				
127.1	128.3	128.5	128.9	131.9

7. Section 9.436 is added to read as follows:

§ 9.436 *West Indies.* Frequencies available for assignment to serve domestic routes in U. S. possessions in the West Indies are as follows:

(a)	2861 kc	4689.5		
(b)	127.3	128.3		

8. Section 9.437 is added to read as follows:

§ 9.437 *International high frequency service.* Frequencies available for assignment by the authority having jurisdiction over the respective aeronautical stations on the several Major World Air Route Areas (MWARAs) as defined in the EARC Agreement (Geneva 1951) are as follows:

(a) *Central East Pacific (CEP).*

3432.5	5604	8930.5	11318.5
3446.5	6612	10048	13304.5
3467.5	6679.5	10084	13334.5
3481.5	8879.5	11299.5	17926.5
5551.5			

(b) *Central West Pacific (CWP).*

2966	5506.5	8862.5	13354.5	17906.5
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(c) *North Pacific (NP).*

2987	5521.5	8939	13274.5	17906.5
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(d) *South Pacific (SP).*

2945	5641.5	8945.5	13344.5	17946.5
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(e) *North Atlantic (NA).*

2868	5626.5	8888	13284.5
2931	5641.5	8913.5	13324.5
2945	5671.5	8947.5	13354.5
2987	8862.5	13264.5	17966.5
5611.5			

(f) *Europe (E).*

2889	4654.5	6552	8930.5
2910	4689.5	6582	11299.5
3467.5	5551.5	8871	17906.5
3481.5			

(g) *North-South America—1 (NSAM-1).*

2889	4696.5	6664.5	8820	13314.5	17916.5
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(h) *North-South America—2 (NSAM-2).*

2910	5566.5	8845.5	11337.5
2966	5581.5	8871	13344.5
3404.5	6567	11290	17916.5

(i) *Far East—1 (FE-1).*

2987	5671.5	8879.5	8930.5	13324.5	17966.5
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(j) *Far East—2 (FE-2).*

2868	5611.5	8871	13284.5	17966.5
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(k) *South Atlantic (SA).*

2875	6612	8939	13274.5
3432.5	6679.5	10048	17946.5
6597	8879.5		

(l) *Middle East (ME).*

3404.5	5604	8845.5	13334.5
3446.5	6627	10021	17926.5

(m) *North-South Africa—1 (NSA-1).*

3411.5	5521.5	8820	13304.5	17946.5
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(n) *North-South Africa—2 (NSA-2).*

2966	5506.5	8956	13334.5	17926.5
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9. Section 9.438 is added to read as follows:

§ 9.438 *Caribbean Area.* Frequencies available for assignment to serve international air routes in the Caribbean area.

2875	5566.5	8837	13294.5
2952	5619	8871	13344.5
2966	6537	10021	17936.5
5499			

10. Section 9.439 is added to read as follows:

§ 9.439 *U. S.-Alaska, via Canada.* Frequencies available for assignment to serve the U. S.-Alaska, via Canada, air routes.

2973	5499	8871	11356.5
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11. Section 9.440 is added to read as follows:

§ 9.440 *International very high frequency service.* The frequency 126.9 Mc is available for use by aeronautical en-route stations serving international operations.

12. Delete the text of § 9.312 (d) and insert the word (Reserved) in lieu thereof.

13. Delete the text of § 9.321 (a) and insert the word (Reserved) in lieu thereof.

14. Change the present designation of § 9.432 (a) (1) (viii), (ix) and (x) to § 9.434 (a), (b) and (c), respectively.

15. Change the present designation of § 9.432 (a) (2) (i) to § 9.433 (b) (1).

16. Change the present designation of § 9.432 (a) (2) (ii) to § 9.433 (b) (2).

17. Change the present designation of § 9.432 (a) (2) (iii) to § 9.433 (b) (3).

18. Change the present designation of § 9.432 (a) (2) (iv) to § 9.433 (b) (4).

19. Change the present designation of § 9.432 (a) (2) (v) to § 9.433 (b) (5).

20. Change the present designation of § 9.432 (a) (2) (vi) to § 9.433 (b) (6).

21. Change the present designation of § 9.432 (a) (2) (vii) to § 9.434 (d).

[F. R. Doc. 55-2622; Filed, Mar. 29, 1955; 8:53 a. m.]

loan contract bearing the following designation has been signed on behalf of the Government acting through the Administrator of the Rural Electrification Administration:

Loan designation:	Amount
Peoples Telephone Company,	
Alabama 501-B-----	\$257,000

[SEAL] ANCHER NELSEN,
Administrator.

[F. R. Doc. 55-2551; Filed, Mar. 28, 1955; 8:51 a. m.]

[Administrative Order T-577]

TEXAS

LOAN ANNOUNCEMENT

MARCH 11, 1955.

Pursuant to the provisions of the Rural Electrification Act of 1936, as amended, a loan contract bearing the following designation has been signed on behalf of the Government acting through the Administrator of the Rural Electrification Administration:

Loan designation:	Amount
Northeast Texas Telephone Company, Texas 586-A-----	\$500,000

¹ Simultaneous allocation and loan.

[SEAL] ANCHER NELSEN,
Administrator.

[F. R. Doc. 55-2552; Filed, Mar. 28, 1955; 8:51 a. m.]

[Administrative Order T-578]

GEORGIA

LOAN ANNOUNCEMENT

MARCH 14, 1955.

Pursuant to the provisions of the Rural Electrification Act of 1936, as amended, a loan contract bearing the following designation has been signed on behalf of the Government acting through the Administrator of the Rural Electrification Administration:

Loan designation:	Amount
Plant Telephone & Power Company, Inc., Georgia 550-A-----	\$740,000

¹ Simultaneous allocation and loan.

[SEAL] ANCHER NELSEN,
Administrator.

[F. R. Doc. 55-2553; Filed, Mar. 28, 1955; 8:51 a. m.]

[Administrative Order T-579]

LOUISIANA

LOAN ANNOUNCEMENT

MARCH 17, 1955.

Pursuant to the provisions of the Rural Electrification Act of 1936, as amended, a loan contract bearing the following designation has been signed on behalf of the Government acting through the Administrator of the Rural Electrification Administration:

NOTICES

DEPARTMENT OF AGRICULTURE

Office of the Secretary

COLORADO

DESIGNATION OF AREAS FOR EMERGENCY LOANS

For the purpose of making emergency loans pursuant to Public Law 727, 83rd Congress, it is determined that in the following named counties in the State of Colorado there is a need for agricultural credit which cannot be met for a temporary period from commercial banks, cooperative lending agencies, the Farmers Home Administration under its regular programs, or under Public Law 38, 81st Congress (12 U. S. C. 1148a-2 (a)), as amended, or other responsible sources.

STATE OF COLORADO

Alamosa.	Costilla.
Conejos.	

Pursuant to the authority as set forth above, such loans will not be made in the above-named counties in the State of Colorado after June 30, 1955.

Done at Washington, D. C., this 24th day of March 1955.

[SEAL] TRUE D. MORSE,
Acting Secretary.

[F. R. Doc. 55-2594; Filed, Mar. 29, 1955; 8:47 a. m.]

Rural Electrification Administration

[Administrative Order T-574]

NORTH CAROLINA

LOAN ANNOUNCEMENT

MARCH 2, 1955.

Pursuant to the provisions of the Rural Electrification Act of 1936, as

amended, a loan contract bearing the following designation has been signed on behalf of the Government acting through the Administrator of the Rural Electrification Administration:

Loan designation:	Amount
Eastern Rowan Telephone Company, Inc., North Carolina 507-C-----	\$309,000

[SEAL] ANCHER NELSEN,
Administrator.

[F. R. Doc. 55-2549; Filed, Mar. 28, 1955; 8:51 a. m.]

[Administrative Order T-575]

WASHINGTON

LOAN ANNOUNCEMENT

MARCH 8, 1955.

Pursuant to the provisions of the Rural Electrification Act of 1936, as amended, a loan contract bearing the following designation has been signed on behalf of the Government acting through the Administrator of the Rural Electrification Administration:

Loan designation:	Amount
North Central Washington Rural Telephone Exchange, Incorporated, Washington 519-B-----	\$117,000

[SEAL] ANCHER NELSEN,
Administrator.

[F. R. Doc. 55-2550; Filed, Mar. 28, 1955; 8:51 a. m.]

[Administrative Order T-576]

ALABAMA

LOAN ANNOUNCEMENT

MARCH 9, 1955.

Pursuant to the provisions of the Rural Electrification Act of 1936, as amended, a

Loan designation: Amount
Marion-Oak Ridge Telephone
Company, Inc., Louisiana 526-
A ----- \$318,000

¹ Simultaneous allocation and loan.

[SEAL] FRED H. STRONG,
Acting Administrator.

[F. R. Doc. 55-2554; Filed, Mar. 28, 1955;
8:51 a. m.]

[Administrative Order T-580]

TENNESSEE

LOAN ANNOUNCEMENT

MARCH 17, 1955.

Pursuant to the provisions of the Rural Electrification Act of 1936, as amended, a loan contract bearing the following designation has been signed on behalf of the Government acting through the Administrator of the Rural Electrification Administration:

Loan designation: Amount
Ben Lomand Rural Telephone
Cooperative, Inc., Tennessee
547-B ----- \$730,000

[SEAL] FRED H. STRONG,
Acting Administrator.

[F. R. Doc. 55-2555; Filed, Mar. 28, 1955;
8:51 a. m.]

DEPARTMENT OF COMMERCE

Federal Maritime Board

[Docket No. 767]

PACIFIC COAST EUROPEAN CONFERENCE

NOTICE OF ORAL ARGUMENT RELATIVE TO AGREEMENT AND PRACTICES PERTAINING TO BROKERAGE

Notice is hereby given that at a session of the Federal Maritime Board held at its Office in Washington, D. C., on the 23d day of March 1955, the Board entered the following order:

Whereas, the persons named in Appendix A below are parties to a certain agreement No. FMB 5200 (Pacific Coast European Conference) approved by the Federal Maritime Board (hereinafter "the Board") pursuant to section 15 of the Shipping Act, 1916, as amended (46 U. S. C. 814) and pursuant to that agreement act jointly as the Pacific Coast European Conference for the purpose of jointly establishing, regulating and maintaining among their membership uniform practices relating to rates and the payment of freight brokerage and for other purposes; and

Whereas, effective September 29, 1954, said Pacific Coast European Conference amended Rule 21 of Tariff No. 12 by the addition of a provision set forth in part as follows (hereinafter referred to as "the amendment"): "Member Lines must refuse to pay brokerage to any broker who solicits for, or receives brokerage from, a non-conference line competitor and such broker will be excluded from the Conference's List of Approved Freight Brokers."; and

Whereas, the Board in order dated October 22, 1954, stated that Rule 21, including the amendment thereto, may

be in violation of sections 15, 16 and 17 of the Shipping Act, 1916, and ordered the persons described in Appendix A below to show cause why Rule 21 of the Pacific Coast European Conference Tariff No. 12 should not be modified or canceled, or, failing such modification or cancellation by the Conference, why the Board should not disapprove or cancel its approval of said Agreement No. 5200; and

Whereas, hearing in the matter was completed on February 3, 1955; and

Whereas, on March 17 and 18, 1955, Pacific Coast Customs and Freight Brokers Association and Los Angeles Customs and Freight Brokers Association, Inc. and Customs Brokers and Forwarders Association of America, Inc., filed motions for an interim order directing said Pacific Coast European Conference not to apply the amendment during the pendency of the proceedings and to restore to its list of approved brokers all persons removed as a result of the application of the amendment; and

Whereas, replies to the motions for interim order were filed by New York Foreign Freight Forwarders and Brokers Association, Inc., by Public Counsel, and by respondent Pacific Coast European Conference; and

It appearing, that the said motions and replies thereto raise issues as to (1) whether the amendment falls within the scope of Pacific Coast European Conference Agreement No. 5200 or is otherwise an approved agreement within the meaning of section 15 of the Shipping Act, 1916, as amended, and (2) assuming the amendment to be an approved section 15 agreement, whether the Board is authorized to suspend or direct the said Pacific Coast European Conference not to apply the amendment prior to final adjudication in Docket No. 767; and

Whereas, Mitsui Steamship Company, Ltd. has filed a petition for immediate action alleging that the amendment is not an agreement which has been approved under section 15 of the Shipping Act, 1916, as amended, and the New York Foreign Freight Forwarders and Brokers Association, Inc. has filed a similar petition alleging further a violation of section 20 of the Shipping Act, 1916, as amended, by the Chairman of the Pacific Coast European Conference; and

Whereas, before making a finding as to whether the amendment is or is not an approved section 15 agreement, or alternatively as to whether the Board has or has not the power to direct an approved agreement or a rule within the scope of an approved agreement suspended or held inoperative pending adjudication of an investigation of the lawfulness of the approved agreement or rule, the Board considers it proper and desirable that all interested parties be given an opportunity to appear before it and to express their positions with respect to these questions; and

It appearing, that the said motions for interim order and the said petitions present an identical question, i. e., whether the amendment is an approved agreement within the meaning of section 15 of the Shipping Act, 1916, as amended;

It is ordered, That the questions of whether the amendment is an approved agreement within the meaning of section 15 of the Shipping Act, 1916, as amended, and whether, assuming the amendment to be lawful as an approved section 15 agreement, the Board is authorized to suspend or direct the Pacific Coast European Conference not to apply the amendment prior to final adjudication in Docket No. 767, be set for oral argument before the Board beginning at 10 o'clock a. m. on April 13, 1955, in Room 4519, New General Accounting Office Building, 441 G Street NW., Washington, D. C.; and

It is further ordered, That parties alleging irreparable injury to themselves or to the public interest in these proceedings shall submit for the Board's consideration, and shall serve upon all parties to the proceedings on or before April 8, 1955, affidavits in support of such allegations, said affidavits to contain reference to page number of transcript and number of exhibit in Docket No. 767, where the record in said docket is relied upon; and

It is further ordered, That the allegation of violation of section 20 of the Shipping Act, 1916, as amended, be deferred until a later date; and

It is further ordered, That a copy of this order be served upon movants Pacific Coast Customs and Freight Brokers Association and Los Angeles Customs and Freight Brokers Association, Inc. and Customs Brokers and Forwarders Association of America, Inc. upon New York Foreign Freight Forwarders and Brokers Association, Inc., and Public Counsel, upon petitioners Mitsui Steamship Company, Ltd., and upon the attorneys for the member lines of the Pacific Coast European Conference; and

It is further ordered, That all interested persons who desire to participate in such oral argument shall promptly so notify the Board and shall specify the amount of time they desire for argument; and

It is further ordered, That this order be published in the FEDERAL REGISTER.

Dated: March 25, 1955.

By the Board,

[SEAL] A. J. WILLIAMS,
Secretary.

APPENDIX A

AGREEMENT AND PRACTICES PERTAINING TO BROKERAGE PACIFIC COAST EUROPEAN CONFERENCE (AGREEMENT NO. 5200)

Anglo Canadian Shipping Co., Ltd.; Blue Star Line, Ltd.; Canadian Transport Co., Ltd.; Compagnie Generale Transatlantique (French Line); The East Asiatic Company, Ltd. (A/S Det Østasiatiske Kompagni); Fruit Express Line A/S; Furness, Withy & Co., Ltd. (Furness Line); Hamburg-Amerika Linie (Hamburg American Line); "Italia" Società Per Azioni di Navigazione (Italian Line); Dampskibsselskabet Jeannet Skinner, Skibsselskabet Pacific, Skibsselskabet Marie Bakke, Dampskibsselskabet Golden Gate, Dampskibsselskabet Lisbeth (Knutson Line—Joint Service); Nippon (Yusen Kaisha; Norddeutscher Lloyd (North German Lloyd); N. V. Nederlandsch-Amerikaansche Stoomvaart-Maatschappij (Holland - America

Line); Osaka Shosen Kaisha, Ltd.; Fred. Olsen & Co. (Fred Olsen Line); Rederiaktiebolaget Nordstjernan (Johnson Line); Rederiet Ocean A/S (J. Lauritzen, Managing Owners) (Lauritzen Line); Royal Mail Line, Ltd.; Seaboard Shipping Company, Ltd.; States Marine Corporation, States Marine Corporation of Delaware (States Marine Lines—Joint Service); Westfal-Larsen & Company A/S (Interocean Line); Western Canada Steamship Company, Limited; regular members of the Pacific Coast European Conference and American President Lines, Ltd., an associate member of said conference.

[F. R. Doc. 55-2597; Filed, Mar. 25, 1955; 1:08 p. m.]

DEPARTMENT OF LABOR

Wage and Hour Division

LEARNER EMPLOYMENT CERTIFICATES

ISSUANCE TO VARIOUS INDUSTRIES

Notice is hereby given that pursuant to section 14 of the Fair Labor Standards Act of 1938, as amended (52 Stat. 1068, as amended; 29 U. S. C. and Sup. 214) and Part 522 of the regulations issued thereunder (29 CFR Part 522), special certificates authorizing the employment of learners at hourly wage rates lower than the minimum wage rates applicable under section 6 of the act have been issued to the firms listed below. The employment of learners under these certificates is limited to the terms and conditions therein contained and is subject to the provisions of Part 522. The effective and expiration dates, occupations, wage rates, number or proportion of learners, and learning period for certificates issued under the general learner regulations (§§ 522.1 to 522.12) are as indicated below; conditions provided in certificates issued under special industry regulations are as established in these regulations.

Single Pants, Shirts and Allied Garments, Women's Apparel, Sportswear and Other Odd Outerwear, Rainwear, Robes and Leather and Sheep-Lined Garments Divisions of the Apparel Industry Learner Regulations (29 CFR 522.160 to 522.168, as amended July 5, 1954, 19 F. R. 3326).

Bastian Sportswear, Inc., Bastian, Va., effective 3-31-55 to 3-30-56; 10 percent of the total number of factory production workers for normal labor turnover purposes (children's and infants' sportswear).

Brook Manufacturing Co., Inc., First and Miles Streets, Old Forge, Pa., effective 4-1-55 to 3-31-56; 10 percent of the total number of factory production workers for normal labor turnover purposes (men's trousers).

Brooks Uniform Company, 112 East Main Street, Clarksville, Tex., effective 3-17-55 to 3-16-56; 10 learners for normal labor turnover purposes (women's uniforms).

Crisfield Shirt & Pajama Co., Crisfield, Md., effective 3-25-55 to 3-24-56; 10 percent of the total number of factory production workers for normal labor turnover purposes (boys' shirts).

Crisfield Shirt & Pajama Co., Princess Anne, Md., effective 3-25-55 to 3-24-56; 10 percent of the total number of factory production workers for normal labor turnover purposes (boys' shirts).

Dodge Manufacturing Co., Eastman, Ga., effective 3-21-55 to 3-31-55; 15 learners for plant expansion purposes (sport shirts) (supplemental certificate).

E & W Manufacturing Co. of Yazoo City, Yazoo City, Miss., effective 3-16-55 to 7-18-55; 30 additional learners for plant expansion purposes (pajamas) (supplemental certificate).

Fuhrman-Levitt, Inc., 1486 Haddon Avenue, Camden, N. J., effective 3-26-55 to 3-25-56; 10 percent of the total number of factory production workers for normal labor turnover purposes (children's cotton dresses).

Jeffs Garment Co., Inc., Poquoson, Va., effective 3-16-55 to 3-15-56; 5 learners for normal labor turnover purposes (children's cotton dresses).

Linden Manufacturing Co., Linden, Ala., effective 3-14-55 to 9-13-55; 20 learners for plant expansion purposes (dresses).

Peerless Sportswear Manufacturing Co., 324 South Main Street, Wilkes-Barre, Pa., effective 3-29-55 to 3-28-56; 10 learners for normal labor turnover purposes (boys' and girls' cotton and rayon longies, slacks and shorts).

Southern Manufacturing Co., No. 1, Fifth and Cedar Streets, Nashville, Tenn., effective 3-19-55 to 3-18-56; 10 percent of the total number of factory production workers for normal labor turnover purposes (work shirts).

Stafford-Hayes, Inc., 402 South State Street, Clarks Summit, Pa., effective 3-26-55 to 3-25-56; 5 learners for normal labor turnover purposes (ladies' dresses).

Sun Garment Co., 12th and Penn Streets, St. Joseph, Mo., effective 3-23-55 to 3-22-56; 10 percent of the total number of factory production workers for normal labor turnover purposes (shirts).

Trouser Corp. of America, Meadow Avenue and Maple Street, Scranton, Pa., effective 3-18-55 to 3-17-56; 10 percent of the total number of factory production workers for normal labor turnover purposes (men's and boys' trousers).

Hosiery Industry Learner Regulations (29 CFR 522.40 to 522.46, as amended May 3, 1954, 19 F. R. 1761).

Murray Hosiery Mills Co., Murray, Ky., effective 3-16-55 to 3-15-56; 5 percent of the total number of factory production workers for normal labor turnover purposes (seamless).

Knitted Wear Industry Learner Regulations (29 CFR 522.68 to 522.79, as amended January 21, 1952, 16 F. R. 12866).

Midland Mills of North Carolina, Inc., Midland, N. C., effective 3-14-55 to 5-25-55; 10 learners for plant expansion purposes (T-shirts and girls' midriffs) (supplemental certificate).

Each certificate has been issued upon the employer's representation that employment of learners at subminimum rates is necessary in order to prevent curtailment of opportunities for employment, and that experienced workers for the learner occupations are not available. The certificates may be canceled in the manner provided in the regulations and as indicated in the certificates. Any person aggrieved by the issuance of any of these certificates may seek a review or reconsideration thereof within fifteen days after publication of this notice in the FEDERAL REGISTER pursuant to the provisions of Part 522.

Signed at Washington, D. C., this 21st day of March 1955.

MILTON BROOKE,
Authorized Representative
of the Administrator.

[F. R. Doc. 55-2586; Filed, Mar. 29, 1955; 8:45 a. m.]

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

STATEMENT OF ORGANIZATION AND DELEGATIONS OF AUTHORITY

This document provides the official statements regarding the Department's organization through the divisional level, and functions assigned and authorities delegated to officials in constituent organizations and the Office of the Secretary.

PART 1—ORGANIZATION OF THE DEPARTMENT

SECTION 1.10 Creation of the Department. The Department of Health, Education, and Welfare was created by Reorganization Plan No. 1 of 1953. Under provisions of the act approved April 1, 1953, (Public Law 13, 83d Congress; 67 Stat. 18), the Plan became effective on April 11, 1953. The Plan abolished the Federal Security Agency, created by Reorganization Plan I, and transferred all functions of the Federal Security Administrator to the Secretary of Health, Education, and Welfare, and all components of the Agency to the Department.

SEC. 1.20 Department organization. (a) The Department consists of the Office of the Secretary and the following constituent organizations:

Public Health Service.
Office of Education.
Social Security Administration.
Food and Drug Administration.
Office of Vocational Rehabilitation.
Saint Elizabeths Hospital.

(b) In addition to the above, there are three federally aided corporations which are partially supported by Federal funds and operate to a limited extent under the supervision of the Secretary. These are:

American Printing House for the Blind (Louisville, Ky.).
Gallaudet College (Washington, D. C.).
Howard University (Washington, D. C.).

SEC. 1.30 Field organization. (a) The Department's field organization includes the following principal field installations:

9 Department regional offices with OS, PHS, OE, SSA, OVR representatives.
16 Food and drug district offices.
6 SSA-BOASI area offices.
532 SSA-BOASI district offices.
Major PHS field installations: 16 hospitals.
4 Field centers and laboratories at: Atlanta, Ga. (Communicable Disease Center); Cincinnati, Ohio (Robt. A. Taft Sanitary Eng. Center); Anchorage, Alaska (Arctic Health Research Center); Hamilton, Mont. (Rocky Mountain Laboratory).
26 Foreign quarantine stations.
25 Outpatient clinics.

(b) The 532 BOASI District Offices operate under regional office supervision. The other field installations operate under general supervision of the appropriate headquarters offices.

SEC. 1.40 Regional organization. (a) The nine Department regions, their boundaries, and regional offices are as follows:

Region I, Boston Mass.: Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont.

Region II, New York, N. Y.: Delaware, New Jersey, New York, and Pennsylvania.

Region III, Washington, D. C.: District of Columbia, Kentucky, Maryland, North Carolina, Virginia, West Virginia, Puerto Rico, and the Virgin Islands.

Region IV, Atlanta, Ga.: Alabama, Florida, Georgia, Mississippi, South Carolina, and Tennessee.

Region V, Chicago, Ill.: Illinois, Indiana, Michigan, Ohio, and Wisconsin.

Region VI, Kansas City, Mo.: Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, and South Dakota.

Region VII, Dallas, Tex.: Arkansas, Louisiana, New Mexico, Oklahoma, and Texas.

Region VIII, Denver, Colo.: Colorado, Idaho, Montana, Utah, and Wyoming.

Region IX, San Francisco, Calif.: Arizona, California, Nevada, Oregon, Washington, Alaska, and Hawaii.

(b) Each regional office is headed by a regional director who is the Secretary's representative within the region. The following have representation in the regional office:

Office of the Secretary.
Public Health Service.
Office of Education.
Social Security Administration.
Office of Vocational Rehabilitation.

The regional program representatives are under the general administrative supervision of the regional director but receive technical direction from the appropriate headquarters office or bureau.

PART 2—OFFICE OF THE SECRETARY

SEC. 2.10 Organization. The Office of the Secretary, in Washington, shall consist of the following: (See Part 1 of this Statement for information regarding office of the Secretary in the field.)

The Secretary and Under Secretary.
Special Assistant for Health and Medical Affairs.

Special Assistants to the Secretary.
Assistant Secretary for Program Analysis.
Assistant Secretary for Federal-State Relations.

General Counsel.
Comptroller.
Director of Administration.
Secretary of the Departmental Council.
Director of Publications and Reports.
Legislative Liaison Officer.
Director of Internal Security.
Special Assistant for Inspection.

SEC. 2.20 Secretary of Health, Education, and Welfare. (a) The Department of Health, Education, and Welfare shall be administered under the supervision and direction of the Secretary.

(b) The Under Secretary shall perform such duties as the Secretary may prescribe and act as Secretary during the absence or disability of the Secretary or in the event of a vacancy in that office.

SEC. 2.30 Order of succession. During the absence or disability of the Secretary and Under Secretary or in the event of a simultaneous vacancy in the offices of Secretary and Under Secretary, the Assistant Secretary who is senior according to date of his commission shall act as Secretary.

SEC. 2.40 Departmental Council. The Departmental Council, composed of the following members, assists in providing an improved exchange of information and closer coordination of the activities of the Department.

Secretary.
Under Secretary.
Assistant Secretaries.
Special Assistant for Health and Medical Affairs.

Legislative Liaison Officer.
Secretary of the Departmental Council.
General Counsel.
Comptroller.

Director of Administration.
Surgeon General, Public Health Service.
Commissioner of Education.
Commissioner of Social Security.
Commissioner of Food and Drugs.
Director of Vocational Rehabilitation.
Superintendent of Saint Elizabeths Hospital.

SEC. 2.50 Reservation of authority. (a) In addition to the authority expressly reserved in subsequent chapters of this Manual, the following authority is reserved to the Secretary:

(1) No regularly scheduled administrative workweek in excess of 40 hours may be established without the prior approval of the Secretary.

(2) No new division or comparable organizational unit shall be established, abolished, or transferred, and no divisions or comparable organizational units shall be consolidated without the prior approval of the Secretary.

(3) Annual or other reports required to be submitted to the President and the Congress shall be submitted by the Secretary unless otherwise required by law, in which case they shall be submitted through the Secretary.

(4) Regulations shall be approved by the Secretary.

(5) Appointments of officers, employees, and other personnel shall be made by the Secretary in all cases in which such authority has not been specifically delegated.

(6) Authority delegated by the President to the Secretary shall, except as specifically redelegated, be exercised only by the Secretary.

PART 3—SOCIAL SECURITY ADMINISTRATION

SEC. 8.10 Organization. The Social Security Administration which is under the supervision and direction of the Commissioner of Social Security shall consist of:

Office of the Commissioner:
Division of Research and Statistics.
Office of Appeals Council.
Office of the Actuary.

Bureau of Old-Age and Survivors Insurance:
Division of Program Analysis.
Division of Claims Policy.
Division of Management Planning and Services.

Division of Personnel.
Division of Training.
Division of Field Operations.
Division of Accounting Operations.
Division of Claims Control.
Division of Disability Operations.

Bureau of Public Assistance:
Division of Administration.
Division of Technical Training.
Division of Program Operations.
Division of Program Statistics and Analysis.
Division of Program Standards and Development.
Division of State Administrative and Fiscal Standards.

Children's Bureau:
Division of Health Services.
Division of Social Services.
Division of Juvenile Delinquency Service.
Division of Research.

Division of Reports.
Division of International Cooperation.
Division of Administrative Services.
Bureau of Federal Credit Unions:
Division of Program and Reports.
Division of Field Operations.
Division of Administrative Services.

SEC. 8.20 Assignment of responsibilities. (a) Except as provided in paragraph (b) of this section and sections 2.50 and 8.30, the Commissioner of Social Security shall exercise the:

(1) Functions transferred by Reorganization Plan No. 2 of 1946, and Reorganization Plan No. 1 of 1953, to the Secretary from the Social Security Board, the Chairman of the Social Security Board, and the Secretary of Labor, the Chief of the Children's Bureau and the Children's Bureau (except for the functions transferred away by Reorganization Plan No. 2 of 1949, effective August 19, 1949).

(2) Functions vested in the Secretary by amendments to and relating to the Social Security Act subsequent to July 16, 1946, and Reorganization Plan No. 1 of 1953.

(b) All duties, powers, and functions relating to the holding of hearings, the rendition of decisions, and the review of decisions in connection with administrative appeals from determinations made under Title II of the Social Security Act, as amended, and affecting benefits, lump sums, wage records or disability determinations, including the administration of oaths and affirmations, the issuance of subpoenas, the examination of witnesses, and the receipt of evidence, and all duties, powers, and functions relating to judicial review of decisions made upon appeal are assigned to the Office of Appeals Council in the Social Security Administration and shall be exercised by the Appeals Council, its members and referees in accordance with applicable rules and regulations.

(c) The functions currently performed by the Children's Bureau under the act of April 9, 1912, and under Title V of the Social Security Act, as amended, shall continue to be performed by the Children's Bureau.

(d) The functions, powers and duties of the Farm Credit Administration under the Federal Credit Union Act, as amended (in U. S. C. title 12, secs. 1751-1772) which were transferred to the Federal Security Agency by the Act of June 29, 1948 (Public Law 813) shall be exercised by the Bureau of Federal Credit Unions under the immediate supervision of a Director and the functions, powers, and duties of the Governor of the Farm Credit Administration under the Federal Credit Union Act, as amended, shall be exercised, as hereinabove provided by the Director.

SEC. 8.30 Reservation of authority. (a) The Secretary shall serve as a member of the Board of Trustees of the Federal Old-Age and Survivors Insurance Fund. During the absence of the Secretary, the Under Secretary shall serve. During the absence or disability of the Secretary and Under Secretary the Commissioner of Social Security shall represent the Secretary.

(b) Authority to disapprove a State plan, an amendment of a State plan,

under Title I, IV, V, X, or XIV of the Social Security Act, as amended, or authority to refuse to enter into an agreement, or an amendment of an agreement with a State or with an inter-State instrumentality under section 218 of the Social Security Act, as amended, shall be exercised only by the Secretary.

(c) Authority conferred by section 4, 218 (g) (2), 404, 505, 515, 1004, or 1404 of the Social Security Act, as amended, shall be exercised only by the Secretary or his designee in a specified case except that the Commissioner of Social Security, or in his absence the Deputy Commissioner, may terminate agreements with respect to one or more coverage groups in any case where a State waives the required notice and hearing provided by section 218 (g) (2) of the Social Security Act as amended and consents to the removal of the dissolved coverage group or groups from the agreement.

(d) Authority conferred by section 5 (k) (2) of the Railroad Retirement Act of 1937, as amended, shall be exercised only by the Secretary.

SEC. 8.40 Redefinition of authority. Authority contained in section 8.20 (a) above may be redelegated by the Commissioner to such officials, Bureaus, or Offices of the Social Security Administration as he may deem appropriate except that only the Commissioner or Deputy Commissioner shall execute an agreement under section 218 or 221 (b) of the Social Security Act as amended, except that the Director, the Deputy Director, and the Assistant Director, Division of Claims Policy of the Bureau of Old-Age and Survivors Insurance is authorized to approve modifications of agreements previously entered into pursuant to section 218 of the Social Security Act, as amended, provided that the Office of the General Counsel has found that there is no legal objection to the form or substance of such modifications. Such redelegations shall not be promulgated until the expiration of 10 work days after filing in the office of the Director of Administration.

PART 10—FOOD AND DRUG ADMINISTRATION

SEC. 10.10 Organization. (a) The Food and Drug Administration shall consist of:

Office of the Commissioner:
 Division of Business Operations.
 Division of Program Planning.
 Division of Regulatory Management.
 Division of State Cooperation.
 Division of Field Operations.
 Division of Antibiotics.
 Division of Cosmetics.
 Division of Food.
 Division of Medicine.
 Division of Microbiology.
 Division of Nutrition.
 Division of Pharmaceutical Chemistry.
 Division of Pharmacology.

(b) There shall be 16 Food and Drug District Offices which report to the Division of Field Operations at headquarters in Washington. These District Offices are located in the following cities:

Atlanta, Ga.; Baltimore, Md.; Boston, Mass.; Buffalo, N. Y.; Chicago, Ill.; Cincinnati, Ohio; Denver, Colo.; Kansas City, Mo.; Los Angeles, Calif.; Minneapolis, Minn.; New Orleans, La.; New York, N. Y.; Philadelphia,

Pa.; St. Louis, Mo.; San Francisco, Calif.; Seattle, Wash.

SEC. 10.20 Assignment of responsibilities. (a) Except as provided in sections 2.50 and 10.30 the Commissioner of Food and Drugs shall exercise the:

(1) Functions vested in the Secretary and the Department under the Federal Food, Drug, and Cosmetic Act, the Federal Cautic Poison Act, the Import Milk Act, the Filled Milk Act, the Tea Importation Act, pursuant to section 12 of Reorganization Plan No. IV and Reorganization Plan No. 1 of 1953.

(2) Functions vested in the Secretary by amendments to the foregoing statutes subsequent to Reorganization Plan No. 1 of 1953.

SEC. 10.30 Reservation of authority. Notwithstanding the provisions of section 2.50 (a) (4), the Commissioner of Food and Drugs is authorized to promulgate necessary rules and regulations except that final rules and regulations pursuant to sections 401 (b) (3), 408 (b), 507 (f), and 701 (e) of the Federal Food, Drug, and Cosmetic Act, as amended, shall be approved by the Secretary.

SEC. 10.40 Redefinition of authority. Authority contained in section 10.20 above may be redelegated by the Commissioner to such officials of the Food and Drug Administration and, with the concurrence of the General Counsel, to such officials of the Office of the General Counsel as he may deem appropriate. Such redelegations shall not be promulgated until the expiration of 10 work days after filing in the Office of the Director of Administration.

PART 12—OFFICE OF VOCATIONAL REHABILITATION

SEC. 12.10 Organization. The Office of Vocational Rehabilitation which is under the supervision and direction of the Director of Vocational Rehabilitation consists of:

Office of the Director.
 Assistant Director for Management Services:
 Division of Budget and Management.
 Division of Administration.
 Assistant Director for Program Planning and Evaluation:
 Division of Planning and Evaluation.
 Division of Publications and Reports.
 Division of Research and Special Studies.
 Assistant Director for State Administration Development:
 Division of State Administration Development.
 Division of State Plans, Grants, and Surveys.
 Regional Representatives.
 Assistant Director for Rehabilitation Services:
 Division of Medical Services and Facilities.
 Division of Services to the Blind.
 Division of General Rehabilitation and Placement Services.
 Division of Training.

SEC. 12.20 Assignment of responsibilities. (a) Except as provided in Part 2 and section 12.30 the Director of Vocational Rehabilitation shall exercise the:

(1) Functions under the Vocational Rehabilitation Act, as amended, (29 U. S. C. ch. 4); hereinafter referred to as the Act.

(2) Functions under section 9 of the Federal Employees Compensation Act, as

amended, (5 U. S. C. 759), transferred to the Secretary by Reorganization Plan No. 1 of 1953.

(3) Functions transferred by Reorganization Plan No. 2 of 1946 and Reorganization Plan No. 1 of 1953, to the Secretary from the Office of Education and Commissioner of Education under the act of June 20, 1936, 49 Stat. 1559 (Randolph-Sheppard Act, 20 U. S. C. ch. 6A).

(4) Authority vested in the Secretary under section 654 (a) of the Public Health Service Act, as amended, to approve rehabilitation facilities.

(5) Function as Chairman of the National Advisory Council on Vocational Rehabilitation established under the Act.

(6) Functions vested in the Secretary by amendments to the foregoing statutes enacted subsequent to Reorganization Plan No. 1 of 1953.

SEC. 12.30 Reservation of authority.

(a) The authority to appoint members to the National Advisory Council on Vocational Rehabilitation shall be exercised only by the Secretary.

(b) Authority to disapprove a State plan or an amendment to a State plan submitted pursuant to the Act shall be exercised only by the Secretary.

(c) Authority to disapprove an application for designation as a State licensing agency under the Act of June 20, 1936, as amended (Randolph-Sheppard Act, 20 U. S. C. ch. 6A), or to revoke a designation made pursuant to that Act, shall be exercised only by the Secretary.

(d) Except as hereafter specifically authorized, only the Secretary shall exercise the authority conferred by section 5 (c) of the Act.

SEC. 12.40 Redefinition of authority. Authority contained in section 12.20 above may be redelegated by the Director to such officials of the Office of Vocational Rehabilitation as he may deem appropriate. Such redelegations shall not be promulgated until the expiration of 10 work days after filing in the Office of the Director of Administration.

PART 14—SAINT ELIZABETHS HOSPITAL

SEC. 14.10 Organization. Saint Elizabeths Hospital shall consist of:

Office of the Superintendent.
 Division of Administration.
 Division of Medical Services.

SEC. 14.20 Assignment of responsibilities. (a) Except as provided in section 2.50 the Superintendent of Saint Elizabeths Hospital shall exercise:

(1) All of the functions transferred to the Department by section 11 (a), Reorganization Plan No. IV, and Reorganization Plan No. 1 of 1953.

(2) The authority vested in the Secretary to order persons certified by the courts as provided in sections 927 and 928 of the act of March 3, 1901, as amended (24 D. C. Code, sections 301 and 302), to be confined in Saint Elizabeths Hospital.

SEC. 14.30 Delegation of authority. Authority contained in section 14.20 may be redelegated by the Superintendent to such officials of Saint Elizabeths Hospital as he may deem appropriate. Such redelegations shall not be promulgated

until 10 days after filing in the Office of the Director of Administration.

Dated: March 24, 1955.

[SEAL] OVETA CULP HOBBY,
Secretary.

[F. R. Doc. 55-2590; Filed, Mar. 29, 1955;
8:47 a. m.]

CIVIL AERONAUTICS BOARD

[Docket No. 6891]

S. A. EMPRESA DE VIACAO AEREA RIO
GRANDENSE (VARIG)

SECOND NOTICE OF CHANGE OF PLACE OF HEARING

In the matter of the application of S. A. Empresa de Viacao Aerea Rio Grandense (VARIG) for a foreign air carrier permit authorizing applicant to provide scheduled air transportation of persons, property, and mail between the co-terminal points Rio de Janeiro and/or Manaus and/or Belem, Brazil, and Washington, D. C., via the intermediate points San Juan, Puerto Rico, Ciudad Trujillo, Dominican Republic, Caracas, Venezuela, and Havana, Cuba, and the co-terminal points Washington, D. C., and/or New York, N. Y.

Notice is hereby given pursuant to the Civil Aeronautics Act of 1938, as amended, particularly sections 402 and 1001 of said act, that hearing in the above-entitled proceeding to be held on March 30, 1955, at 10:00 a. m., e. s. t., is reassigned from Room E-210, Temporary Building No. 5, Sixteenth Street and Constitution Avenue NW., to Room 1018 Temporary Building No. 4, Seventeenth Street and Constitution Avenue NW., Washington, D. C., before Curtis C. Henderson, Hearing Examiner.

Dated at Washington, D. C., March 24, 1955.

By the Civil Aeronautics Board.

[SEAL] FRANCIS W. BROWN,
Chief Examiner.

[F. R. Doc. 55-2603; Filed, Mar. 29, 1955;
8:48 a. m.]

FEDERAL COMMUNICATIONS COMMISSION

[Docket Nos. 10335, 10378; FCC-55-269]

WESTERN UNION TELEGRAPH CO. ET AL.

ORDER CONTINUING HEARING

In the matter of the Western Union Telegraph Company, complainant v. All America Cables and Radio, Inc., The Commercial Cable Company, Mackay Radio and Telegraph Company, Inc., defendants; Docket No. 10378; The Western Union Telegraph Company, complainant v. RCA Communications, Inc., defendant, Docket No. 10335.

The Hearing Examiner having under consideration a motion filed March 23, 1955, by RCA Communications, Inc., requesting that the hearing now scheduled to commence March 29, 1955, be postponed for approximately six weeks to a date convenient to the Hearing Examiner; and

It appearing that the parties have had conferences and made substantial progress toward a settlement of the issues without the necessity of a formal hearing but that additional time is required to finalize the settlement; and

It further appearing that counsel for the other parties, including counsel for the Common Carrier Bureau have agreed to a grant of the motion;

It is ordered, This 24th day of March 1955, that the motion is granted, and that the hearing is rescheduled to begin at 10:00 a. m. Monday, May 16, 1955, at Washington, D. C.

FEDERAL COMMUNICATIONS
COMMISSION,

[SEAL] MARY JANE MORRIS,
Secretary.

[F. R. Doc. 55-2623; Filed, Mar. 29, 1955;
8:53 a. m.]

[Docket Nos. 10767-10769; FCC 55M-271]

TELEPHONE ANSWERING SERVICE ET AL.

ORDER SCHEDULING PREHEARING CONFERENCE

In the matter of Mrs. Pearl Forester, d/b as Telephone Answering Service, Dallas, Texas, Docket No. 10767, File No. 180-C2-P-53; Radio Paging, Dallas, Texas, Docket No. 10768, File No. 363-C2-P-53; George A. Smith, Jr., Dallas, Texas, Docket No. 10769, File No. 607-C2-P-53; for construction permits for one-way signaling base station in the Domestic Public Land Mobile Radio Service.

It is ordered, This 24th day of March 1955, that a conference shall be held at 2:00 p. m., Thursday, March 31, 1955, at Washington, D. C., to consider the possibility of stipulating with respect to facts, the procedure at the hearing, the limitation of the number of witnesses, the necessity or desirability of prior mutual exchange of exhibits or prepared testimony and such other matters as may be appropriate and the parties or their attorneys are directed to appear at the conference.

FEDERAL COMMUNICATIONS
COMMISSION,

[SEAL] MARY JANE MORRIS,
Secretary.

[F. R. Doc. 55-2624; Filed, Mar. 29, 1955;
8:53 a. m.]

[Docket No. 11217; FCC 55M-268]

BUCKTAIL BROADCASTING CORP. (WBTL)

ORDER CONTINUING HEARING

In re application of Bucktail Broadcasting Corporation (WBTL) Emporium, Pennsylvania, Docket No. 11217, File No. BP-9306; for reinstatement of construction permit.

The Hearing Examiner having received a copy of the petition filed March 22, 1955, by the above-entitled applicant requesting the Commission to dismiss without prejudice its application for reinstatement of construction permit

which is scheduled to go to hearing on March 29, 1955; and

It appearing that there are no objections to continuing the hearing until action has been taken on the petition to dismiss;

It is ordered, This the 24th day of March 1955, on motion of the Hearing Examiner, that the hearing scheduled to begin March 29, 1955, be continued until 15 days after the Commission has acted on the petition of the applicant to dismiss its application without prejudice.

FEDERAL COMMUNICATIONS
COMMISSION,

[SEAL] MARY JANE MORRIS,
Secretary.

[F. R. Doc. 55-2625; Filed, Mar. 29, 1955;
8:53 a. m.]

[FCC 55-348; 17174]

LOCATION AND HEIGHT OF CERTAIN NEW
ANTENNA STRUCTURES

ACCURACY REQUIREMENTS

MARCH 24, 1955.

The Commission has been advised by the Airspace Subcommittee of the Air Coordinating Committee that certain proposed antenna structures which were given aeronautical approval by the Subcommittee are, nevertheless, considered "critical obstructions" since their height closely approaches the maximum height above mean sea level recommended by the Subcommittee for a particular location. A necessary premise for the approval of such structures by the Subcommittee is substantial accuracy by the applicant in his determination of the exact location and height of such structures. The Commission has found that the degree of accuracy of such determinations heretofore secured in antenna proposals is, in general, insufficient for the construction of such "critical obstructions."

Broadcast construction permits issued by the Commission contain the geographical coordinates of the site and the height in feet above ground of the proposed antenna structure. These data are secured from the application form filed by the applicant. The height of the antenna may or may not be set forth in the construction permit for services other than broadcast. Applicants, in preparing their applications for filing, are not in a position to determine with certainty the antenna obstruction lighting which may be required by the Commission. The Commission is cognizant of this and provides in its application form for broadcast services that the height of any obstruction lighting is not to be included in computing the total height above ground and height above mean sea level of the proposed antenna structure. In services other than broadcast, the application form requests the height of the uppermost point of the antenna. In practically all instances, therefore, a slight increase in height results from the installation of a beacon or other lighting fixture, required by the terms of the construction permit.

While such slight deviations may appear insignificant in most instances, the Commission is advised by the Airspace Subcommittee that in those cases where the antenna structure is a "critical obstruction", an increase in height of even one foot above the maximum authorized may necessitate raising the minimum flight altitudes in the area or otherwise modifying aviation procedures.

In view of the above, the Commission, in the future, will include in construction permits which authorize antennas considered "critical obstructions" the following provisions:

1. The height of the uppermost point of the antenna structure, including the required obstruction lighting and any other attachments, shall not exceed — x — feet above mean sea level.

2a. A bench mark shall be established on the tower base. The elevation above mean sea level of the bench mark shall be determined within one foot from a line of spirit levels from a Municipal, State, or Federal bench mark that is a part of the national level net.

b. The horizontal position of the tower site shall be determined within ½ second of latitude and longitude by a ground survey tied to a Municipal, State, or Federal control point that has previously been connected to the national geodetic network.

c. An affidavit signed by a registered or qualified engineer or surveyor shall be submitted with the license application setting forth the geographic coordinates of the structure and the over-all height (which shall include the obstruction marking) above sea level of the completed structure, and describing the survey and the reference points upon which it is based, together with a plat of the antenna site and vertical plan sketch of the antenna structure portraying pertinent details.

The provisions set out above to be included in future authorizations will be employed only in those instances where it has been determined that the antenna in question would constitute a "critical obstruction."

Adopted: March 23, 1955.

FEDERAL COMMUNICATIONS
COMMISSION,

[SEAL] MARY JANE MORRIS,
Secretary.

[F. R. Doc. 55-2626; Filed, Mar. 29, 1955;
8:53 a. m.]

FEDERAL POWER COMMISSION

[Docket No. G-6010]

RUBY WATTS AND ELMINE WATTS

NOTICE OF APPLICATION AND DATE OF
HEARING

MARCH 23, 1955.

Take notice that Ruby Watts and Elmine Watts, hereinafter called "Applicant", whose address is Hindman, Kentucky, filed on November 26, 1954, an application for a certificate of public convenience and necessity pursuant to section 7 of the Natural Gas Act, authorizing Applicant to render service as hereinafter described, subject to the juris-

diction of the Commission, all as more fully represented in the application which is on file with the Commission and open for public inspection.

Applicant proposes to sell natural gas produced from the J. E. Stamper Acreage, Knotts County, Kentucky to Kentucky West Virginia Gas Company at 15 cents per Mcf, for transportation in interstate commerce for resale.

This matter is one that should be disposed of as promptly as possible under the applicable rules and regulations and to that end:

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, and the Commission's rules of practice and procedure, a hearing will be held on April 13, 1955, at 9:30 a. m., e. s. t., in a Hearing Room of the Federal Power Commission, 441 G Street NW., Washington, D. C., concerning the matters involved in and the issues presented by such application: *Provided, however*, That the Commission may, after a non-contested hearing, dispose of the proceedings pursuant to the provisions of § 1.30 (c) (1) or (2) of the Commission's rules of practice and procedure.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D. C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before the 7th day of April 1955. Failure of any party to appear at and participate in the hearing shall be construed as waiver of and concurrence in omission herein of the intermediate decision procedure in cases where a request therefor is made.

[SEAL]

J. H. GUTRIDE,
Secretary.

[F. R. Doc. 55-2587; Filed, Mar. 29, 1955;
8:46 a. m.]

GENERAL SERVICES ADMINISTRATION

SECRETARY, DEPARTMENT OF HEALTH,
EDUCATION AND WELFARE

DELEGATION OF AUTHORITY TO NEGOTIATE
CERTAIN CONTRACTS FOR MEDICAL AND
RELATED SERVICES

1. Pursuant to the authority vested in me by the Federal Property and Administrative Services Act of 1949, 63 Stat. 377, as amended, herein called the act, authority is hereby delegated to the Secretary of Health, Education and Welfare to negotiate, without advertising, under section 302 (c) (5) and (9) of the act, contracts with public and private institutions and with States, Territories, political subdivisions, and their instrumentalities, for hospitalization, medical services, medical research, and related services under authorized health programs of the Department of Health, Education and Welfare.

2. This authority shall be exercised in accordance with applicable limitations and requirements in the act, particularly sections 304 and 307, and in accordance with the policies, procedures, and con-

trols prescribed by the General Services Administration.

3. The authority herein delegated may be redelegated to any official or employee of the Department of Health, Education, and Welfare.

4. This delegation shall be effective as of the date hereof.

Dated: March 24, 1955.

EDMUND F. MANSURE,
Administrator.

[F. R. Doc. 55-2663; Filed, Mar. 28, 1955;
3:52 p. m.]

SECRETARY OF DEFENSE

DELEGATION OF AUTHORITY TO REPRESENT
INTERESTS OF FEDERAL GOVERNMENT BE-
FORE CALIFORNIA PUBLIC UTILITIES COM-
MISSION IN THE MATTER OF SAN DIEGO
GAS AND ELECTRIC CO.

1. Pursuant to the provisions of sections 201 (a) (4) and 205 (d) and (e) of the Federal Property and Administrative Services Act of 1949, 63 Stat. 377, as amended, authority to represent the interests of the executive agencies of the Federal Government in the matter of San Diego Gas & Electric Company, Application No. 36579, before the California Public Utilities Commission, is hereby delegated to the Secretary of Defense.

2. The Secretary of Defense is hereby authorized to redelegate any of the authority contained herein to any officer, official or employee of the Department of Defense.

3. The authority conferred herein shall be exercised in accordance with the policies, procedures and controls prescribed by the General Services Administration, and shall further be exercised in cooperation with the responsible officers, officials and employees of such Administration.

4. This delegation of authority shall be effective January 26, 1955.

Dated: March 25, 1955.

EDMUND F. MANSURE,
Administrator.

[F. R. Doc. 55-2664; Filed, Mar. 28, 1955;
3:52 p. m.]

HOUSING AND HOME FINANCE AGENCY

Federal Housing Administration

2¾ PERCENT MUTUAL MORTGAGE INSURANCE
FUND DEBENTURES, SERIES E

NOTICE OF CALL FOR PARTIAL REDEMPTION
BEFORE MATURITY

MARCH 22, 1955.

Pursuant to the authority conferred by the National Housing Act (48 Stat. 1246; 12 U. S. C. 1701 et seq.) as amended, public notice is hereby given that 2¾ percent Mutual Mortgage Insurance Fund Debentures, Series E, of the denominations and serial numbers designated below, are hereby called for redemption, at par and accrued interest, on July 1, 1955, on which date interest on such debentures shall cease:

2½ PERCENT MUTUAL MORTGAGE INSURANCE
FUND DEBENTURES, SERIES E

Denomination:	Serial numbers (all numbers inclusive)
\$50-----	969 to 1,019.
\$100-----	1,713 to 1,837.
\$500-----	636 to 648.
	652 to 690.
\$1,000-----	1,289 to 1,396.
\$5,000-----	730 to 804.
	807.
\$10,000-----	185 to 254.

The debentures first issued as determined by the issue dates thereof were selected for redemption by the Commissioner, Federal Housing Administration, with the approval of the Secretary of the Treasury.

No transfers or denominational exchanges in debentures covered by the foregoing call will be made on the books maintained by the Treasury Department on or after April 1, 1955. This does not affect the right of the holder of a debenture to sell and assign the debenture on or after April 1, 1955, and provision will be made for the payment of final interest due on July 1, 1955, with the principal thereof to the actual owner, as shown by the assignments thereon.

The Commissioner of the Federal Housing Administration hereby offers to purchase any debentures included in this call at any time from April 1, 1955, to June 30, 1955, inclusive, at par and accrued interest, to date of purchase.

Instructions for the presentation and surrender of debentures for redemption on or after July 1, 1955, or for purchase prior to that date will be given by the Secretary of the Treasury.

NORMAN P. MASON,
Commissioner.

Approved: March 24, 1955.

W. RANDOLPH BURGESS,
Acting Secretary of the Treasury.

[F. R. Doc. 55-2606; Filed, Mar. 29, 1955;
8:49 a. m.]

2½ PERCENT WAR HOUSING INSURANCE
FUND DEBENTURES, SERIES HNOTICE OF CALL FOR PARTIAL REDEMPTION
BEFORE MATURITY

MARCH 22, 1955.

Pursuant to the authority conferred by the National Housing Act (48 Stat. 1246; 12 U. S. C. 1701 et seq.) as amended, public notice is hereby given that 2½ percent War Housing Insurance Fund Debentures, Series H, of the denominations and serial numbers designated below, are hereby called for redemption, at par and accrued interest, on July 1, 1955, on which date interest on such debentures shall cease:

2½ PERCENT WAR HOUSING INSURANCE FUND
DEBENTURES, SERIES H

Denomination:	Serial numbers (all numbers inclusive)
\$50-----	3,614 to 3,621.
\$100-----	6,816 to 6,862.
\$500-----	1,410 to 1,420.
\$1,000-----	6,242 to 6,281.
\$5,000-----	2,549 to 2,556.
\$10,000-----	24,125 to 25,266.

The debentures first issued as determined by the issue dates thereof were selected for redemption by the Commissioner, Federal Housing Administration, with the approval of the Secretary of the Treasury.

No transfers or denominational exchanges in debentures covered by the foregoing call will be made on the books maintained by the Treasury Department on or after April 1, 1955. This does not affect the right of the holder of a debenture to sell and assign the debenture on or after April 1, 1955, and provision will be made for the payment of final interest due on July 1, 1955, with the principal thereof to the actual owner, as shown by the assignments thereon.

The Commissioner of the Federal Housing Administration hereby offers to purchase any debentures included in this call at any time from April 1, 1955 to June 30, 1955, inclusive, at par and accrued interest, to date of purchase.

Instructions for the presentation and surrender of debentures for redemption on or after July 1, 1955, or for purchase prior to that date will be given by the Secretary of the Treasury.

NORMAN P. MASON,
Commissioner.

Approved: March 24, 1955.

W. RANDOLPH BURGESS,
Acting Secretary of the Treasury.

[F. R. Doc. 55-2609; Filed, Mar. 29, 1955;
8:50 a. m.]

2½ PERCENT MUTUAL MORTGAGE INSURANCE
FUND DEBENTURES, SERIES KNOTICE OF CALL FOR PARTIAL REDEMPTION
BEFORE MATURITY

MARCH 22, 1955.

Pursuant to the authority conferred by the National Housing Act (48 Stat. 1246; 12 U. S. C. 1701 et seq.) as amended, public notice is hereby given that 2½ percent Mutual Mortgage Insurance Fund Debentures, Series K, of the denominations and serial numbers designated below, are hereby called for redemption, at par and accrued interest, on July 1, 1955, on which date interest on such debentures shall cease:

2½ PERCENT MUTUAL MORTGAGE INSURANCE
FUND DEBENTURES, SERIES K

Denomination:	Serial numbers (all numbers inclusive)
\$50-----	44 to 72.
\$100-----	243 to 343.
\$500-----	126 to 157.
\$1,000-----	239 to 378.
\$5,000-----	57 to 103.
\$10,000-----	28 to 77.

The debentures first issued as determined by the issue dates thereof were selected for redemption by the Commissioner, Federal Housing Administration, with the approval of the Secretary of the Treasury.

No transfers or denominational exchanges in debentures covered by the foregoing call will be made on the books maintained by the Treasury Department on or after April 1, 1955. This does not affect the right of the holder of a de-

benture to sell and assign the debenture on or after April 1, 1955, and provision will be made for the payment of final interest due on July 1, 1955, with the principal thereof to the actual owner, as shown by the assignments thereon.

The Commissioner of the Federal Housing Administration hereby offers to purchase any debentures included in this call at any time from April 1, 1955, to June 30, 1955, inclusive, at par and accrued interest, to date of purchase.

Instructions for the presentation and surrender of debentures for redemption on or after July 1, 1955, or for purchase prior to that date will be given by the Secretary of the Treasury.

NORMAN P. MASON,
Commissioner.

Approved: March 24, 1955.

W. RANDOLPH BURGESS,
Acting Secretary of the Treasury.

[F. R. Doc. 55-2607; Filed, Mar. 29, 1955;
8:49 a. m.]

2½ PERCENT TITLE I HOUSING INSURANCE
FUND DEBENTURES, SERIES LNOTICE OF CALL FOR PARTIAL REDEMPTION
BEFORE MATURITY

MARCH 22, 1955.

Pursuant to the authority conferred by the National Housing Act (48 Stat. 1246; 12 U. S. C. 1701 et seq.) as amended, public notice is hereby given that 2½ percent Title I Housing Insurance Fund Debentures, Series L, of the denominations and serial numbers designated below, are hereby called for redemption, at par and accrued interest, on July 1, 1955, on which date interest on such debentures shall cease:

2½ PERCENT TITLE I HOUSING INSURANCE
FUND DEBENTURES, SERIES L

Denomination:	Serial numbers (all numbers inclusive)
\$50-----	10 to 52.
	54 to 115.
\$100-----	23 to 40.
\$500-----	57 to 59.
\$1,000-----	227 to 250.
\$5,000-----	5 to 9.
\$10,000-----	1.

The debentures first issued as determined by the issue dates thereof were selected for redemption by the Commissioner, Federal Housing Administration, with the approval of the Secretary of the Treasury.

No transfers or denominational exchanges in debentures covered by the foregoing call will be made on the books maintained by the Treasury Department on or after April 1, 1955. This does not affect the right of the holder of a debenture to sell and assign the debenture on or after April 1, 1955, and provision will be made for the payment of final interest due on July 1, 1955, with the principal thereof to the actual owner, as shown by the assignments thereon.

The Commissioner of the Federal Housing Administration hereby offers to purchase any debentures included in this call at any time from April 1, 1955, to June 30, 1955, inclusive, at par and accrued interest, to date of purchase.

Instructions for the presentation and surrender of debentures for redemption on or after July 1, 1955, or for purchase prior to that date will be given by the Secretary of the Treasury.

NORMAN P. MASON,
Commissioner.

Approved: March 24, 1955.

W. RANDOLPH BURGESS,
Acting Secretary of the Treasury.

[F. R. Doc. 55-2604; Filed, Mar. 29, 1955;
8:49 a. m.]

2½ PERCENT NATIONAL DEFENSE HOUSING INSURANCE FUND DEBENTURES, SERIES P

NOTICE OF CALL FOR PARTIAL REDEMPTION BEFORE MATURITY

MARCH 22, 1955.

Pursuant to the authority conferred by the National Housing Act (48 Stat. 1246; 12 U. S. C. 1701 et seq.) as amended, public notice is hereby given that 2½ percent National Defense Housing Insurance Fund Debentures, Series P, of the denominations and serial numbers designated below, are hereby called for redemption, at par and accrued interest, on July 1, 1955, on which date interest on such debentures shall cease:

2½ PERCENT NATIONAL DEFENSE HOUSING INSURANCE FUND DEBENTURES, SERIES P

Denomination:	Serial numbers (all numbers inclusive)
\$50.....	38 to 45.
\$100.....	9 to 35.
\$500.....	2 to 10.
\$1,000.....	37 to 58.
\$5,000.....	5.
\$10,000.....	315 to 385.

The debentures first issued as determined by the issue dates thereof were selected for redemption by the Commissioner, Federal Housing Administration, with the approval of the Secretary of the Treasury.

No transfers or denominational exchanges in debentures covered by the foregoing call will be made on the books maintained by the Treasury Department on or after April 1, 1955. This does not affect the right of the holder of a debenture to sell and assign the debenture on or after April 1, 1955, and provision will be made for the payment of final interest due on July 1, 1955, with the principal thereof to the actual owner, as shown by the assignments thereon.

The Commissioner of the Federal Housing Administration hereby offers to purchase any debentures included in this call at any time from April 1, 1955, to June 30, 1955, inclusive, at par and accrued interest, to date of purchase.

Instructions for the presentation and surrender of debentures for redemption on or after July 1, 1955, or for purchase prior to that date will be given by the Secretary of the Treasury.

NORMAN P. MASON,
Commissioner.

Approved: March 24, 1955.

W. RANDOLPH BURGESS,
Acting Secretary of the Treasury.

[F. R. Doc. 55-2610; Filed, Mar. 29, 1955;
8:50 a. m.]

2¾ PERCENT TITLE I HOUSING INSURANCE FUND DEBENTURES, SERIES R

NOTICE OF CALL FOR PARTIAL REDEMPTION BEFORE MATURITY

MARCH 22, 1955.

Pursuant to the authority conferred by the National Housing Act (48 Stat. 1246; 12 U. S. C. 1701 et seq.) as amended, public notice is hereby given that 2¾ percent Title I Housing Insurance Fund Debentures, Series R, of the denominations and serial numbers designated below, are hereby called for redemption, at par and accrued interest, on July 1, 1955, on which date interest on such debentures shall cease:

2¾ PERCENT TITLE I HOUSING INSURANCE FUND DEBENTURES, SERIES R

Denomination:	Serial numbers (all numbers inclusive)
\$100.....	1 to 3.
\$500.....	1.
\$1,000.....	1 to 4.

The debentures first issued as determined by the issue dates thereof were selected for redemption by the Commissioner, Federal Housing Administration, with the approval of the Secretary of the Treasury.

No transfers or denominational exchanges in debentures covered by the foregoing call will be made on the books maintained by the Treasury Department on or after April 1, 1955. This does not affect the right of the holder of a debenture to sell and assign the debenture on or after April 1, 1955, and provision will be made for the payment of final interest due on July 1, 1955, with the principal thereof to the actual owner, as shown by the assignments thereon.

The Commissioner of the Federal Housing Administration hereby offers to purchase any debentures included in this call at any time from April 1, 1955, to June 30, 1955, inclusive, at par and accrued interest, to date of purchase.

Instructions for the presentation and surrender of debentures for redemption on or after July 1, 1955, or for purchase prior to that date will be given by the Secretary of the Treasury.

NORMAN P. MASON,
Commissioner.

Approved: March 24, 1955.

W. RANDOLPH BURGESS,
Acting Secretary of the Treasury.

[F. R. Doc. 55-2605; Filed, Mar. 29, 1955;
8:49 a. m.]

3 PERCENT MUTUAL MORTGAGE INSURANCE FUND DEBENTURES, SERIES U

NOTICE OF CALL FOR PARTIAL REDEMPTION BEFORE MATURITY

MARCH 22, 1955.

Pursuant to the authority conferred by the National Housing Act (48 Stat. 1246; 12 U. S. C. 1701 et seq.) as amended, public notice is hereby given that 3 percent Mutual Mortgage Insurance Fund Debentures, Series U, of the denominations and serial numbers designated below, are hereby called for re-

demption, at par and accrued interest, on July 1, 1955, on which date interest on such debentures shall cease:

3 PERCENT MUTUAL MORTGAGE INSURANCE FUND DEBENTURES, SERIES U

Denomination:	Serial numbers (all numbers inclusive)
\$50.....	4 to 9.
\$100.....	6 to 35.
\$500.....	2 to 10.
\$1,000.....	7 to 30.
\$5,000.....	4 to 17.

The debentures first issued as determined by the issue dates thereof were selected for redemption by the Commissioner, Federal Housing Administration, with the approval of the Secretary of the Treasury.

No transfers or denominational exchanges in debentures covered by the foregoing call will be made on the books maintained by the Treasury Department on or after April 1, 1955. This does not affect the right of the holder of a debenture to sell and assign the debenture on or after April 1, 1955, and provision will be made for the payment of final interest due on July 1, 1955, with the principal thereof to the actual owner, as shown by the assignments thereon.

The Commissioner of the Federal Housing Administration hereby offers to purchase any debentures included in this call at any time from April 1, 1955, to June 30, 1955, inclusive, at par and accrued interest, to date of purchase.

Instructions for the presentation and surrender of debentures for redemption on or after July 1, 1955, or for purchase prior to that date will be given by the Secretary of the Treasury.

NORMAN P. MASON,
Commissioner.

Approved: March 24, 1955.

W. RANDOLPH BURGESS,
Acting Secretary of the Treasury.

[F. R. Doc. 55-2608; Filed, Mar. 29, 1955;
8:50 a. m.]

2¾ PERCENT NATIONAL DEFENSE HOUSING INSURANCE FUND DEBENTURES, SERIES Y

NOTICE OF CALL FOR PARTIAL REDEMPTION BEFORE MATURITY

MARCH 22, 1955.

Pursuant to the authority conferred by the National Housing Act (48 Stat. 1246; 12 U. S. C. 1701 et seq.) as amended, public notice is hereby given that 2¾ percent National Defense Housing Insurance Fund Debentures, Series Y, of the denominations and serial numbers designated below, are hereby called for redemption, at par and accrued interest, on July 1, 1955, on which date interest on such debentures shall cease:

2¾ PERCENT NATIONAL DEFENSE HOUSING INSURANCE FUND DEBENTURES, SERIES Y

Denomination:	Serial numbers (all numbers inclusive)
\$50.....	8.
\$100.....	18 to 26.
\$500.....	9 to 11.
\$1,000.....	22 to 24.
\$5,000.....	6 to 7.
\$10,000.....	234 to 237.

The debentures first issued as determined by the issue dates thereof were selected for redemption by the Commissioner, Federal Housing Administration, with the approval of the Secretary of the Treasury.

No transfers or denominational exchanges in debentures covered by the foregoing call will be made on the books maintained by the Treasury Department on or after April 1, 1955. This does not affect the right of the holder of a debenture to sell and assign the debenture on or after April 1, 1955, and provision will be made for the payment of final interest due on July 1, 1955, with the principal thereof to the actual owner, as shown by the assignments thereon.

The Commissioner of the Federal Housing Administration hereby offers to purchase any debentures included in this call at any time from April 1, 1955, to June 30, 1955, inclusive, at par and accrued interest, to date of purchase.

Instructions for the presentation and surrender of debentures for redemption on or after July 1, 1955, or for purchase prior to that date will be given by the Secretary of the Treasury.

NORMAN P. MASON,
Commissioner.

Approved: March 24, 1955.

W. RANDOLPH BURGESS,
Acting Secretary of the Treasury.

[F. R. Doc. 55-2611; Filed, Mar. 29, 1955;
8:50 a. m.]

SECURITIES AND EXCHANGE COMMISSION

[File No. 812-921]

ADAMS EXPRESS CO. AND AMERICAN INTERNATIONAL CORP.

NOTICE OF APPLICATION FOR ORDER EXEMPTING ACQUISITION OF SECURITIES OF AN INVESTMENT COMPANY

MARCH 24, 1955.

Notice is hereby given that The Adams Express Company ("Adams") and its majority-owned subsidiary, American International Corporation ("American"), both closed-end, diversified investment companies registered under the Investment Company Act of 1940, have filed an application pursuant to section 6 (c) of the act for an order exempting them from the provisions of section 12 (d) (1) of the act with respect to a proposed acquisition of certain shares of common stock of National Aviation Corporation ("Aviation"), a registered, closed-end, non-diversified investment company.

The investment policy of Aviation is stated to be the concentration of investments in common stocks and in senior securities convertible into common stock, of air transport companies and in companies either in, or connected with, or serving and/or supplying the aviation industry. Adams and American presently own together an aggregate of 4.6 percent (22,700 shares) of the common stock of Aviation. On March 10, 1955, Aviation issued to its stockholders trans-

ferable Rights, represented by Warrants, to subscribe for 111,618 additional shares of its common stock on the basis of one additional share for each four shares held on that date. In addition, each holder of a Warrant is entitled to the privilege of subscribing for additional shares of the Aviation stock, subject to allotment, out of any shares not subscribed for pursuant to the exercise of the primary subscription Rights. Such stock offering by Aviation is not underwritten and is to expire at 3:30 p. m., e. s. t., March 25, 1955.

Adams and American desire and intend, subject to the granting of the instant application by the Commission, to exercise their Rights as stockholders to purchase shares of Aviation together with subscription rights under any additional subscription privileges which may be available.

If all stockholders of Aviation, including both applicants, exercise their full Rights pursuant to such stock offering the percentage of total outstanding stock of Aviation owned by the applicants will remain the same (4.6 percent). If subscription Rights of others are not exercised, however, the additional stock of Aviation to be acquired by applicants, pursuant to their Rights and additional subscription privileges which may be available, could result in the ownership by Adams and American of more than 5 percent of the outstanding stock of Aviation.

Section 12 (d) (1) of the act, among other things, makes it unlawful for any registered investment company and any company controlled by it to purchase or otherwise acquire any security issued by any other investment company if such registered investment company and any company controlled by it own in the aggregate, or as a result of such purchase will own, more than 5 percent of the total outstanding stock of such other investment company if the policy of such other investment company is the concentration of investments in a particular industry or group of industries.

Adams and American have agreed that they will take immediate steps to divest themselves of such shares of Aviation which, combined, may be in excess of 5 percent of the common stock of Aviation to be outstanding following the aforesaid Rights offering.

Section 6 (c) of the act provides, among other things, that the Commission, by order upon application, may conditionally or unconditionally exempt any person from any provisions or provisions of the act or of any rule or regulation thereunder, if and to the extent that such exemption is necessary or appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the act.

Notice is further given that any interested person may, not later than April 8, 1955, at 12:00 noon, submit to the Commission in writing any facts bearing upon the desirability of a hearing on the matter and may request that a hearing be held, such request stating the nature of his interest, the reasons for such request

and the issues, if any, of fact or law proposed to be controverted, or he may request that he be notified if the Commission should order a hearing thereon. Any such communication or request should be addressed: Secretary, Securities and Exchange Commission, Washington 25, D. C. At any time after said date, the application may be granted as provided in Rule N-5 of the rules and regulations promulgated under the act.

By the Commission.

[SEAL]

ORVAL L. DuBOIS,
Secretary.

[F. R. Doc. 55-2588; Filed, Mar. 29, 1955;
8:46 a. m.]

SMALL BUSINESS ADMINISTRATION

[S. D. P. A. Pool Request 13]

SMALL PLANT ASSOCIATES OF PHILADELPHIA AND CERTAIN PARTICIPATING COMPANIES

WITHDRAWAL OF REQUEST TO OPERATE AS SMALL BUSINESS PRODUCTION POOL, AND WITHDRAWAL OF REQUESTS TO PARTICIPATE IN OPERATIONS OF SUCH POOL

Pursuant to section 708 of the Defense Production Act of 1950, as amended, the request to Small Plants Associates of Philadelphia, published on February 26, 1953, in 18 F. R. 1124, and the requests to the companies therein listed to participate in the operations of such pool, are hereby withdrawn.

The immunity from prosecution under the Federal antitrust laws and the Federal Trade Commission Act heretofore granted to Small Plants Associates of Philadelphia, and the participating companies, is likewise withdrawn, except as to those acts performed or omitted by reason of the request which occurred prior to this withdrawal.

(Sec. 708, 64 Stat. 818; 50 U. S. C. App. 2158; E. O. 10493, October 16, 1953, 18 F. R. 6583)

Dated: March 23, 1955.

WENDELL B. BARNES,
Administrator.

[F. R. Doc. 55-2589; Filed, Mar. 29, 1955;
8:46 a. m.]

INTERSTATE COMMERCE COMMISSION

[Docket No. 31759]

BOSTON AND MAINE RAILROAD

INVESTIGATION OF CONTROL

At a general session of the Interstate Commerce Commission, held at its office in Washington, D. C., on the 25th day of March A. D. 1955.

It appearing, that purchases of stock of Boston and Maine Railroad may have been consummated for the purpose of effectuating control or management of that carrier in a common interest with that of The New York, New Haven and Hartford Railroad Company; and

It further appearing, that a committee composed of Herbert Alpert, Pierre Du-

maine, Robert J. Marony, Russell B. Valentine and James A. Walsh, in opposition to the present management of Boston and Maine Railroad has issued a statement soliciting from the stockholders of said railroad proxies exercisable at the forthcoming annual meeting of such stockholders to be held in Boston, Massachusetts, on April 13, 1955, said statement setting forth the intentions of the committee to vote said proxies for a board of 19 directors named in the statement, and the intention of said proposed board to elect one Patrick B. McGinnis as president of the said railroad; and

It further appearing, that the said Patrick B. McGinnis now is, and since April 1954, has been president of The New York, New Haven and Hartford Railroad Company;

It further appearing, that, based upon an informal inquiry conducted by special agents of the Bureau of Inquiry and Compliance of the Commission, there is reasonable cause therefor:

It is ordered, That an investigation by the Commission on its own motion be, and it is hereby, instituted under the provisions of section 5 of the Interstate Commerce Act for the purpose of determining whether any of the provisions of said act have been violated, and into all matters connected therewith and related thereto, with the view that this Commission may take such action as it may find to be appropriate;

It is further ordered, That The New York, New Haven and Hartford Railroad Company, Boston and Maine Railroad, Patrick B. McGinnis, William T. Griffin, Robert J. Marony, Oliver D. Appleton, E. Carrol Stollenwuerch, James A. Walsh, Joshua A. Rich, IV, Herbert Alpert, Andrew J. Beck, Maynard W. Bullis, Burton M. Cross, John S. Dawson, Pierre Dumaine, Alonzo R. Gile, W. Earle Goss, Nathan Grevior, Rodney A. Griffin, II, William N. Hadley, Alexander L. Hillman, Francis Parnell Murphy, Robert C. Nordblom, William L. Phinney, Russell B. Valentine, Merrick E. Wheeler, and Arthur P. Wilcox be, and they are hereby, made respondents in this proceeding.

It is further ordered, That this matter be, and it is hereby, referred to Examiner Jerome K. Lyle for hearing on the 4th day of April A. D. 1955, at 9:30 o'clock a. m., U. S. s. t., at the Post Office and Court House Building, Boston, Massachusetts, and for recommendation of an appropriate order thereon, accompanied by the reasons therefor.

And it is further ordered, That notice of this proceeding be given to the public by depositing a copy of this order in the office of the Secretary of the Commission, at Washington, D. C., and by filing a copy with the Director of the Division of the Federal Register, Washington, D. C., and service upon each of the said respondents.

By the Commission.

[SEAL] HAROLD D. McCoy,
Secretary.

[F. R. Doc. 55-2627; Filed, Mar. 29, 1955;
8:54 a. m.]

NOTICE 53]

MOTOR CARRIER APPLICATIONS

MARCH 25, 1955.

Protests, consisting of an original and two copies, to the granting of an application must be filed with the Commission within 30 days from the date of publication of this notice in the FEDERAL REGISTER and a copy of such protest served on the applicant. Each protest must clearly state the name and street number, city and state address of each protestant on behalf of whom the protest is filed (49 CFR 1.240 and 1.241). Failure to seasonably file a protest will be construed as a waiver of opposition and participation in the proceeding unless an oral hearing is held. In addition to other requirements of Rule 40 of the general rules of practice of the Commission (49 CFR 1.40), protests shall include a request for a public hearing, if one is desired, and shall specify with particularity the facts, matters and things relied upon, but shall not include issues or allegations phrased generally. Protests containing general allegations may be rejected. Requests for an oral hearing must be supported by an explanation as to why the evidence cannot be submitted in the form of affidavits. Any interest person, not a protestant, desiring to receive notice of the time and place of any hearing, prehearing conference, taking of depositions, or other proceedings shall notify the Commission by letter or telegram within 30 days from the date of publication of this notice in the FEDERAL REGISTER.

Except when circumstances require immediate action, an application for approval, under section 210a (b) of the act, of the temporary operation of motor carrier properties sought to be acquired in an application under section 5 (2) will not be disposed of sooner than 10 days from the date of publication of this notice in the FEDERAL REGISTER. If a protest is received prior to action being taken, it will be considered.

APPLICATIONS OF MOTOR CARRIERS OF PROPERTY

No. MC 2130 Sub 45, COUCH MOTOR LINES, INC., 1401 Abbie Street, Shreveport, La. Applicant's attorney: Robert L. Garrett, Commercial Building, Shreveport, La. For authority to operate as a common carrier, over regular routes, transporting: General commodities, except those of unusual value, Class A and B explosives, livestock, household goods as defined by the Commission, commodities in bulk, commodities requiring special equipment, and those injurious or contaminating to other lading, (1) between Little Rock, Ark., and Springfield, La., from Little Rock, Ark., over U. S. Highway 167 to junction U. S. Highway 79 at or near Fordyce, Ark., thence over U. S. Highway 79 to junction Arkansas Highway 132 at Magnolia, Ark., thence over Arkansas Highway 132 to the Arkansas-Louisiana State line, and thence over Louisiana Highway 90 to Springhill, La., and return over the same route, serving no intermediate points, and serving Magnolia, Ark., for joinder pur-

poses only; as an alternate or connecting route, in connection with the carrier's regular route operations (a) between North Little Rock, Ark., and West Monroe, La., via Little Rock and Pine Bluff, Ark., and (b) between the junction of U. S. Highway 80 and Louisiana Highway 90 and Springhill, La.; (2) between Memphis, Tenn., and Springhill, La., from Memphis, Tenn., over U. S. Highway 79 to junction with Arkansas Highway 132 at Magnolia, Ark., thence over Arkansas Highway 132 to the Arkansas-Louisiana State line, and thence over Louisiana Highway 90 to Springhill, La., and return over the same route, serving no intermediate points, and serving Pine Bluff and Magnolia, Ark., for joinder purposes only; as an alternate or connecting route, in connection with the carrier's regular route operations (a) between the junction of U. S. Highway 80 and Louisiana Highway 90 and Springhill, La.; and (b) between Hamburg, Ark., and Memphis, Tenn. RESTRICTION: Service at joinder points limited and restricted as follows: (1) No freight shall be transported over the alternate route between Memphis, Tenn., and Pine Bluff, Ark., that originates at Memphis, Tenn., and is destined to Pine Bluff, Ark., or originates at Pine Bluff, Ark., and is destined to Memphis, Tenn., but with no restriction as to joinder of operations, alternate route with present routes, at Memphis, Tenn., and Pine Bluff, Ark.; (2) no shipment shall be transported over the alternate route between Memphis, Tenn., and Springhill, La., which is moving between Memphis, Tenn., on the one hand, and, on the other, Little Rock, Ark., Shreveport, Monroe and West Monroe, La., points on applicant's authorized routes in Alabama, points in Mississippi on U. S. Highway 90 and that part of U. S. Highway 80 between Jackson, Miss., and the Mississippi-Louisiana State line, including Jackson, and points in Louisiana on U. S. Highways 190, 90 and 61 east of Baton Rouge, La., and those on applicant's authorized route between Port Allen and New Orleans, La., including New Orleans. Applicant is authorized to conduct operations in Alabama, Arkansas, Louisiana, Mississippi and Tennessee.

No. MC 2229 Sub 63, RED BALL MOTOR FREIGHT, INC., P. O. BOX 3148, Dallas, Tex. Applicant's attorney: Reagan Sayers, Century Life Building, Fort Worth, Tex. For authority to operate as a common carrier, over a regular route, transporting: General commodities, including Class A and B explosives and commodities in bulk, but excluding those of unusual value, household goods as defined by the Commission, commodities requiring special equipment, and those injurious or contaminating to other lading, between Sherman, Tex., and the Perrin Air Force Base, Tex., located approximately five (5) miles north of Sherman, over Farm-to-Market Road 131, serving no intermediate points. Applicant is authorized to conduct operations in Louisiana and Texas.

No. MC 3341 Sub 12, LAKE MOTOR FREIGHT LINES, INC., 2222 W. Sample Street, South Bend, Ind. Applicant's attorney: Ferdinand Born, 708 Chamber of Commerce Bldg., Indianapolis 4, Ind. For authority to operate as a *common carrier*, transporting: *General commodities*, except those of unusual value, Class A and B explosives, household goods as defined by the Commission, commodities in bulk, commodities requiring special equipment, and those injurious or contaminating to other lading, serving the site of the plant of the Packard Motor Company, at or near Utica, Mich., as an off-route point in connection with carrier's regular route operations (1) between Detroit, Mich., and Chicago, Ill., and (2) between Detroit, Mich., and Akron, Ohio. Applicant is authorized to conduct operations in Illinois, Indiana, Michigan, and Ohio.

No. MC 10761 Sub 51, TRANSAMERICAN FREIGHT LINES, INC., 1700 N. Waterman, Detroit 9, Mich. For authority to operate as a *common carrier*, transporting: *General commodities*, except those of unusual value, Class A and B explosives, livestock, household goods, as defined by the Commission, commodities in bulk, and those requiring special equipment, serving Cumberland, Md., as an off-route point, in connection with regular route operations between Pittsburgh, Pa., and New York, N. Y., over U. S. Highways 1, and 22, and New Jersey Highway 29, and between Pittsburgh, Pa., and Harrisburg, Pa., over U. S. Highways 11, and 30, and the Pennsylvania Turnpike. Applicant is authorized to conduct operations over regular routes in Connecticut, Illinois, Indiana, Iowa, Kansas, Kentucky, Michigan, Missouri, Nebraska, New Jersey, New York, Ohio, Pennsylvania, and Wisconsin, and over irregular routes in Colorado, Illinois, Indiana, Iowa, Minnesota, Nebraska, and Ohio.

No. MC 11185 Sub 85, J-T TRANSPORT COMPANY, INC., 6504 East 37th St., Kansas City, Mo. Applicant's attorney: James W. Wrape, Sterick Building, Memphis 3, Tenn. For authority to operate as a *contract carrier*, over irregular routes transporting: *Aircraft parts and equipment* requiring the use of special equipment, from Utica, Mich., to Wichita, Kans. Applicant is authorized to conduct operations in all 48 States and the District of Columbia.

No. MC 14659 Sub 3 (Amended), GEORGE C. O'DONNELL, doing business as O'DONNELL'S EXPRESS, 7 Kendall, Houlton, Maine. Applicant's attorney: Mary E. Kelley, 84 State Street, Boston 9, Mass. For authority to operate as a *common carrier*, over irregular routes transporting: *Class A and B explosives*, for the U. S. Government only, between points in Massachusetts on and east of U. S. Highway 5, on the one hand, and, on the other, points in Maine.

No. MC 29490 Sub 3 (Amended), published in the March 2, 1955 issue, page 1303, WILLIAM S. CLARK, 506 North Street, Millintown, Pa. Applicant's attorney: Andrew Wilson Green, 603 North Front Street, Harrisburg, Pa. For authority to operate as a *common carrier*,

over irregular routes, transporting: *Fire brick and clay products*, from Vandyke, near Thompsonstown, Juniata County, Pa., to points in New York, Ohio, Delaware, West Virginia, New Jersey and Maryland, and *empty pallets and skids*, and *damaged material* of the commodities specified in this application on return. Applicant is authorized to conduct operations in Pennsylvania.

No. MC 30887 Sub 58, SHIPLEY TRANSFER, INC., 534 Main Street, Reisterstown, Md. Applicant's attorney: William J. Little, Fidelity Building, Baltimore 1, Md. For authority to operate as a *common carrier*, over irregular routes, transporting: *Liquid latex*, in bulk, in tank vehicles, from Baltimore, Md., and Dover, Del., to the United States-Canada International Boundary line, at or near Alexandria Bay, N. Y. Applicant is authorized to conduct operations in Connecticut, Indiana, Maryland, Massachusetts, Michigan, Missouri, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, Virginia, and Wisconsin.

No. MC 35624 Sub 9, DEAN S. AXTELL, 2000 S. W. "G" Street, Grants Pass, Ore. Applicant's representative: I. R. Perry, Post Office Box 594, Grants Pass, Ore. For authority to operate as a *common carrier*, over irregular routes, transporting: *Lumber*, from points in Josephine and Jackson Counties, Ore., to points in California.

No. MC 38541 Sub 3, DENNIS E. WHITE, doing business as WHITE MOTOR EXPRESS, Lafayette, Tenn. Applicant's attorney: Harlan Dodson, Jr., 1106 Nashville Trust Building, Nashville 3, Tenn. For authority to operate as a *common carrier*, over regular routes, transporting: *General commodities*, except commodities of unusual value, Class A and B explosives, household goods as defined by the Commission, commodities in bulk, and those requiring special equipment, between Lafayette and Gainsboro, Tenn., from Lafayette over Tennessee Highway 52 via Celina to Livingston, Tenn., and thence over Tennessee Highway 85 to Gainsboro, Tenn., and return over the same route, serving all intermediate points on Tennessee Highway 52 between Celina and Livingston, including Celina and Livingston, and all intermediate points on Tennessee Highway 85 between Livingston and Gainsboro. Applicant is authorized to conduct operations in Kentucky and Tennessee.

No. MC 59854 Sub 8, APPEYARD'S MOTOR TRANSPORTATION COMPANY, INC., 7 Lowell Street, Methuen, Mass. For authority to operate as a *common carrier*, over irregular routes, transporting: *Petroleum products*, in bulk, in tank vehicles, between points in Massachusetts. Applicant is authorized to conduct operations in Massachusetts and New Hampshire.

No. MC 59854 Sub 9, APPEYARD'S MOTOR TRANSPORTATION COMPANY, INC., 7 Lowell Street, Methuen, Mass. For authority to operate as a *common carrier*, over irregular routes, transporting: *Petroleum products*, in bulk, in tank vehicles, between points in New Hampshire. Applicant is authorized

to conduct operations in Massachusetts and New Hampshire.

No. MC 60390 Sub 4, LESTER M. BRIGGS, 39 Main Street, Dighton, Mass. Applicant's representative: Russell B. Curnett, 49 Weybosset Street, Providence, R. I. For authority to operate as a *contract carrier*, over irregular routes, transporting: *Lime and crushed limestone*, between Lee, Mass., on the one hand, and, on the other, Pawtucket, R. I.; and *bone meal, cracklings, animal, bird and poultry feed, fertilizer and fertilizing materials, greases, hides, pelts or skins, lard substitutes, meat scraps, oleo stock, bacon and ham skins and rinds, soap stock, stearine, stomach linings, animal tallow, tankage*, between Pawtucket, R. I., on the one hand, and, on the other, points in Barnstable, Bristol, Plymouth, Norfolk and Suffolk Counties, Mass.

No. MC 66562 Sub 1225, RAILWAY EXPRESS AGENCY, INCORPORATED, 219 East 42nd St., New York 17, N. Y. Applicant's attorney: John H. Mooers (same address as applicant). For authority to operate as a *common carrier*, transporting: *General commodities*, including *Class A and B explosives*, moving in express service, serving Belleville, and Mt. Vernon, Ill., as intermediate points, in connection with regular route operations between East St. Louis, Ill., and Princeton, Ind., over U. S. Highway 460, Illinois Highways 15, 37, and 161, and Indiana Highway 64. Applicant is authorized to conduct operations in all 48 states and the District of Columbia.

No. MC 66562 Sub 1227, RAILWAY EXPRESS AGENCY, INCORPORATED, 219 East 42nd St., New York 17, N. Y. Applicant's attorney: J. H. Mooers (same address as applicant). For authority to operate as a *common carrier*, over regular routes, transporting: *General commodities*, including *Class A and B explosives*, moving in express service, between Houston, Tex., and Galveston, Tex., over U. S. Highway 75 from Houston to junction of Texas Highway 3 (also over Texas Highway 3 from Houston to junction U. S. Highway 75), thence over U. S. Highway 75 to Galveston, and return over the same highways, serving the intermediate points of Dumont, Genoa, Dickinson, League City, and Lamarque, Tex., and the off-route point of Texas City, Tex. Applicant is authorized to conduct operations in all 48 States and the District of Columbia.

No. MC 84420 Sub 5, LAURIANO F. GONZALES AND FRANK BALLES-TEROS, doing business as L. & F. HAULING CO., 21-B Albright Court, Lackawanna, N. Y. Applicant's representative: Floyd B. Piper, Crosby Building, Franklin Street at Mohawk, Buffalo 2, N. Y. For authority to operate as a *common carrier*, over irregular routes, transporting: *Abrasives*, from Tonawanda, N. Y., to points in Caledonia, Orange, and Washington Counties, Vt., and *empty containers or other such incidental facilities* (not specified) used in transporting the commodity specified above on return. Applicant is authorized to conduct operations in New York and Vermont.

No. MC 102343 Sub 9, JOHN KAUSER, doing business as JOHN KAUSER TRUCKING SERVICE, 857 West Perry Street, Paulding, Ohio. Applicant's attorney: Carl S. Clark, 3510 Leveque Lincoln Tower, Columbia 15, Ohio. For authority to operate as a *common carrier*, over irregular routes, transporting: *Stone, crushed stone, and road aggregates*, coated or uncoated, from points in Paulding County, Ohio, to points in DeKalb, LaGrange, Noble and Steuben Counties, Ind. Applicant is authorized to conduct operations in Indiana and Ohio.

No. MC 105320 Sub 21, WILLIAM E. VAN ZILE, doing business as THE UNITED STATES TRAILER TRANSPORT CO., 9551 Baltimore Blvd., College Park, Md. For authority to operate as a *common carrier*, over irregular routes, transporting: *Trailers and mobile units designed to be drawn by passenger automobiles*, in truckaway and drive-away service, in initial movements, from Harrisburg, Pa., and points within five miles of Harrisburg, to all points in the United States, including the District of Columbia. Service is also proposed to the territory of Alaska. Applicant is authorized to conduct operations in all States in the United States.

No. MC 106223 Sub 29, BRUCE F. JARVIS, doing business as GREENLEAF MOTOR EXPRESS, 4606 State Avenue, Ashtabula, Ohio. Applicant's attorney: Edwin C. Reminger, Standard Building, Cleveland 13, Ohio. For authority to operate as a *common carrier*, over irregular routes, transporting: *Chlorinated paraffine*, in bulk, in tank vehicles, from points in Painesville Township, Lake County, Ohio, to points in Massachusetts. Applicant is authorized to conduct operations in Connecticut, Massachusetts, Ohio and Rhode Island.

No. MC 106571 Sub 2, MC-MOR-HAN TRUCKING, INC., P. O. Box 67, Shullsburg, Wis. Applicant's attorney: Edward Solie, 715 First National Bank Building, 1 South Pinckney Street, Madison 3, Wis. For authority to operate as a *common carrier*, over irregular routes, transporting: *Fertilizer*, (1) from Streator, Ill., to points in Grant and Lafayette Counties, Wis., (2) from Dubuque, Iowa, to Scales Mound, Ill., and (3) between Scales Mound, Ill., and Shullsburg, Wis. Applicant is authorized to conduct operations in Illinois and Wisconsin.

No. MC 107002 Sub 72, WALTER M. CHAMBERS, doing business as W. M. CHAMBERS TRUCK LINE, 105 Giuffrias Avenue, P. O. Box 687, New Orleans, La. For authority to operate as a *common carrier*, over irregular routes, transporting: *Liquid latex*, in bulk, in tank vehicles from Baton Rouge, La., to Aniston, Ala., Dalton, Ga., Chattanooga, Tenn. and Charlotte, N. C.

No. MC 107403 Sub 198, E. BROOKE MATLACK, INC., 33rd and Arch Streets, Philadelphia 4, Pa. Applicant's attorney: Paul F. Barnes, 801-804 I. B. M. Building, 226 South 15th St., Philadelphia, Pa. For authority to operate as a *common carrier*, over irregular routes, transporting: *Resin*, in bulk, in tank vehicles, from Newark, Ohio, to Parkers-

burg, W. Va. Applicant is authorized to conduct operations in Alabama, Georgia, Illinois, Indiana, Minnesota, Missouri, New Jersey, North Carolina, Ohio, Pennsylvania, South Carolina, Tennessee, Virginia, and Wisconsin.

No. MC 107403 Sub 199, E. BROOKE MATLACK, INC., 33rd and Arch Streets, Philadelphia 4, Pa. Applicant's attorney: Paul F. Barnes, 801-804 I. B. M. Building, 226 South 15th St., Philadelphia, Pa. For authority to operate as a *common carrier*, over irregular routes, transporting: *Inedible tallow, and animal grease*, in bulk, in tank vehicles, between Baltimore, Md., and points in Baltimore, Carroll, and Hartford Counties, Md., on the one hand, and, on the other, points in Delaware, the District of Columbia, New Jersey, Pennsylvania, and Virginia.

No. MC 107515 Sub 173, REFRIGERATED TRANSPORT CO., INC., 290 University Ave., S. W., Atlanta, Ga. Applicant's attorney: Allan Watkins, 214 Grant Building, Atlanta 3, Ga. For authority to operate as a *common carrier*, over irregular routes, transporting: *Frozen concentrated soup*, from Chicago, Ill. and all other points in the Chicago, Ill. Commercial Zone, as defined by the Commission, to points in Tennessee, Alabama, Georgia, and Mississippi. Applicant is authorized to conduct operations in Alabama, Arkansas, Florida, Georgia, Illinois, Indiana, Iowa, Kentucky, Louisiana, Michigan, Minnesota, Mississippi, Missouri, Nebraska, North Carolina, Ohio, Oklahoma, South Carolina, Tennessee, Texas, and Wisconsin.

No. MC 108909 Sub 2, ROBERT J. PURDY, 263 Race Street, Catasauqua, Pa. Applicant's attorney: William J. Wilcox, Suite 619 Commonwealth Bldg., Allentown, Pa. For authority to operate as a *contract carrier*, over irregular routes, transporting: *Jute yarn*, from Allentown, Pa., to Liberty, S. C., and *bur-lap bags, wooden tubes, plastic tubes, empty wooden beams, and empty containers or other such incidental facilities* (not specified) used in transporting the above-specified commodities on return movements. Applicant is authorized to conduct operations in New Jersey, New York and Pennsylvania.

No. MC 110148 Sub 32 (Amended), published in the FEDERAL REGISTER issue of March 9, 1955, on Page 1422. TRANSIT, INC., Herman, Nebr. Applicant's attorney: R. E. Powell, 1005-06 Trust Building, Lincoln, Nebr. For authority to operate as a *common carrier*, over irregular routes, transporting: *Liquid fertilizers*, in bulk, in tank vehicles, from Omaha, and Auburn, Nebr., to points in Colorado, South Dakota, Minnesota, Iowa, Missouri, and Kansas, and *contaminated shipments* of the commodities specified in this application, on return movement.

No. MC 110309 Sub 4, CLARENCE R. KLINGER, doing business as K. U. K. AUTO TRANSIT, 568 Main Street, Lyons, Pa. Applicant's representative: Everett B. Lackie, 4114 Westchester Road, Baltimore 16, Md. For authority to operate as a *common carrier*, over irregular routes, transporting: *New automobiles*, in initial movements, in truckaway service, during the season of

open navigation on the Great Lakes, from Detroit, Mich., to Washington, D. C. and points in Virginia within the Washington, D. C. Commercial Zone. Applicant is authorized to conduct operations in Michigan, New York, Ohio, Virginia and the District of Columbia.

No. MC 111149 Sub 14 (amended) published on February 2, 1955 issue of FEDERAL REGISTER on page 728. KILMER TRANSPORTATION CO., a corporation, P. O. Box 429, Metuchen, N. J. Applicant's representative: Bert Collins, 140 Cedar Street, New York 6, N. Y. For authority to operate as a *contract carrier*, over irregular routes, transporting: *Earthenware*, uncrated, from Perth Amboy, Woodbridge and Raritan Township, N. J., to points in West Virginia and Mississippi. Applicant is authorized to conduct operations in all states in the United States except Arizona, California, Idaho, Mississippi, Missouri, Montana, Nebraska, Nevada, New Mexico, Oregon, Washington, Utah, and Wyoming.

No. MC 111388 Sub 2, LLOYD OZMUN, Route 2, Winona, Minn. Applicant's representative: A. R. Fowler, Associated Motor Carriers Tariff Bureau, 2288 University Ave., St. Paul 14, Minn. For authority to operate as a *common carrier*, over irregular routes, transporting: *Fertilizer*, in containers, from Winona, Minn., to points in Barnes, Cass, Cavalier, Dickey, Grand Forks, Griggs, Lamoure, Nelson, Pembina, Ramsey, Ransom, Richland, Sargent, Steele, Traill and Walsh Counties, N. Dak., and points in Beadle, Bon Homme, Brookings, Brown, Clark, Clay, Codington, Davison, Day, Deuel, Grant, Hamlin, Hanson, Hutchinson, Kingsbury, Lake, Lincoln, Marshall, McCook, Miner, Minnehaha, Moody, Roberts, Sanborn, Spink, Turner, Union and Yankton Counties, S. Dak. Applicant is authorized to conduct operations in Iowa, Minnesota and Wisconsin.

No. MC 112020 Sub 8, E. W. SCHEN-ECKER and J. R. BOSWELL, doing business as COMMERCIAL OIL TRANSPORT, 1030 Stayton St., P. O. Box 1895, Fort Worth, Tex. Applicant's attorney: Leroy Hallman, First National Bank Building, Dallas 2, Tex. For authority to operate as a *common carrier*, over irregular routes, transporting: *Animal fats, and vegetable oils*, in bulk, in tank vehicles, from points in Oklahoma, to points in Texas. Applicant is authorized to conduct operations in Arkansas, Louisiana, Oklahoma, and Texas.

No. MC 113843 Sub 7, REFRIGERATED FOOD EXPRESS, INC., 8 Commonwealth Pier, Boston, Mass. Applicant's representative: Raymond A. Richards, 13 Lapham Park, Webster, N. Y. For authority to operate as a *common carrier*, over irregular routes, transporting: *Frozen foods*, from points in Delaware, Maryland, and Virginia east of the Chesapeake Bay and south of the Chesapeake and Delaware Canal, to St. Louis, Mo., Minneapolis, and St. Paul, Minn., points in Illinois, Indiana, Iowa, Kentucky, Michigan, Nebraska, Ohio, West Virginia, and Wisconsin, those in New York on and west of a line beginning at the New York-Pennsylvania State line and extending along New York Highway 7 to Binghamton, thence along New York Highway 12 to the

United States-Canadian International Boundary line at or near Alexandria Bay, N. Y., and those in Pennsylvania on and west of U. S. Highway 11, and return with empty containers or other such incidental facilities (not specified) used in transporting frozen foods. Applicant is authorized to conduct operations in the District of Columbia and all States in the United States excepting Alabama, Arizona, Arkansas, California, Florida, Georgia, Idaho, Kansas, Louisiana, Mississippi, Montana, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Utah, Vermont, Washington, and Wyoming.

No. MC 115111 Sub 1 (Amended), published in the February 2, 1955, issue of the FEDERAL REGISTER, page 729, and republished in the March 9, 1955, issue of the FEDERAL REGISTER, page 1423. PROVOST CARTAGE, INC., 362 Revere Street, Winthrop, Mass. Applicant's attorney: Raymond E. Bernard, 15 State Street, Boston, Mass. For authority to operate as a *contract carrier*, over irregular routes, transporting: *Liquid caustic soda*, in bulk, in tank vehicles, from Solvay and Syracuse, N. Y., to the United States-Canada International Boundary line at the Port of Entry of Roosevelttown, N. Y., and *caustic potash liquid*, in bulk, in tank vehicles, from Solvay and Syracuse, N. Y., to the United States-Canada International Boundary line at the Ports of Entry of Cape Vincent (Thousand Island, N. Y.), Niagara Falls, and Roosevelttown, N. Y.

No. MC 115173, GLENN M. TAYLOR, Porter Center Road, Youngstown, N. Y. Applicant's attorney: Richard N. Lein, 67 Farmers & Mechanics Savings Bank Bldg., Lockport, N. Y. For authority to operate as a *common carrier*, over irregular routes, transporting: *Used house trailers*, in secondary movements, in truckaway service, between Niagara Falls, N. Y., on the one hand, and, on the other, points in Alabama, Connecticut, Delaware, Florida, Georgia, Illinois, Indiana, Kentucky, Maine, Maryland, Massachusetts, Michigan, Mississippi, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, Tennessee, Vermont, Virginia, West Virginia, and Wisconsin.

No. MC 115195, JOHN ELLIS AND GRACE ELLIS, doing business as ELLIS OIL COMPANY, 525 College St., Springfield, Mo. Applicant's attorney: J. R. Rose, Jefferson City, Mo. For authority to operate as a *common carrier*, over irregular routes, transporting: *Petroleum products*, in bulk, in tank vehicles, (1) from Cushing, Tulsa, Cleveland and Bristow, Okla., to points in that part of Missouri on and south of U. S. Highway 40, (2) from Barnsdall, Okla., to Cassville, Neosho, Lamar, Joplin and Carthage, Mo., and (3) from Coffeyville, Kans., to Monett, Aurora, Greenfield, Springfield, Mansfield, West Plains and Winoona, Mo. Applicant is authorized as a *contract carrier* to conduct operations in Oklahoma, Missouri, and Kansas.

No. MC 115218, ALLEN D. GIBSON, 1915 Main Street, Eldorado, Ill. Applicant's attorney: Scerial Thompson, The Harrisburg National Bank Bldg., Harrisburg, Ill. For authority to operate as

a *contract carrier*, over irregular routes, transporting: *Animal feeds and poultry feeds*, fertilizer, and other soil improvement materials, from points in Kentucky, Tennessee, and Missouri to points in Illinois on and south of U. S. Highway 50.

No. MC 115220, AL REDMOND, Belfield, N. Dak. For authority to operate as a *common carrier*, over irregular routes, transporting: *Machinery, materials, supplies and equipment*, incidental to, or used in the construction, development, operation, and maintenance of facilities for the discovery, development and production of natural gas and petroleum and derivatives thereof; *pipe, pipeline materials, machinery and equipment*, incidental to, or used in the construction, repairing, or dismantling of gas, gasoline, oil, and water pipelines, except main or trunk pipelines, *machinery and machinery parts*, including that which requires special equipment or special handling because of size or weight, between points in Montana, on the one hand, and, on the other, points in Minnesota, on and west of U. S. Highway 71.

No. MC 115220 Sub 1, AL REDMOND, Belfield, N. Dak. For authority to operate as a *common carrier*, over irregular routes, transporting: *Machinery, materials, supplies and equipment*, incidental to, or used in the construction, development, operation, and maintenance of facilities for the discovery, development and production of natural gas and petroleum and derivatives thereof; *pipe, pipeline materials, machinery and equipment*, incidental to, or used in the construction, repairing, or dismantling of gas, gasoline, oil, and water pipelines, except main or trunk pipelines, between points in North Dakota, on the one hand, and, on the other, points in Minnesota.

No. MC 115241, CLAUDE MACK, North, S. C. For authority to operate as a *contract carrier*, over irregular routes, transporting: *Agricultural sprays*, from Aberdeen, N. C., and North, S. C., to points in North Carolina, South Carolina, and Georgia, and *materials* used in the manufacture of agricultural sprays and *empty spray containers* used in the transporting the agricultural sprays on return.

No. MC 115235, BUFFALO HORSE TRANSPORT, INC., 1904 Liberty Bank Building, Buffalo, N. Y. Applicant's representative: Floyd B. Piper, Crosby Building, Franklin Street at Mohawk, Buffalo 2, N. Y. For authority to operate as a *common carrier*, over irregular routes, transporting: *Horses*, other than ordinary, and *stable supplies and equipment* used in the care, exhibition and racing of such horses, *mascots*, and the *personal effects of their attendants, trainers and exhibitors*, in the same vehicle with such horses, between points in Erie, Genesee and Niagara Counties, N. Y., on the one hand, and, on the other, points in New York, Pennsylvania, Maryland, Massachusetts, Rhode Island, Maine, Ohio and Kentucky.

APPLICATIONS OF MOTOR CARRIERS OF PASSENGERS

No. MC 1501 Sub 98, THE GREYHOUND CORPORATION, 2600 Board of

Trade Building, Chicago 4, Ill. For authority to operate as a *common carrier*, over a regular route, transporting: *Passengers and their baggage*, and *express, mail, and newspapers*, in the same vehicle with passengers, between the junction of U. S. Highway 95 and Idaho Highway 1, and Porthill, Idaho, over Idaho Highway 1, serving all intermediate points. Applicant is authorized to conduct operations throughout the United States.

No. MC 1504 Sub 124, ATLANTIC GREYHOUND CORPORATION, 1100 Kanawha Valley Building, Charlestown, W. Va. Applicant's attorney: L. C. Major, Jr., 2001 Massachusetts Avenue, NW., Washington 6, D. C. For authority to operate as a *common carrier*, over regular routes, transporting: *Passengers and their baggage*, and *express, mail and newspapers* in the same vehicle with passengers, (1) between junction of Old and relocated U. S. Highways 23 southwest of Massieville, Ohio, and junction of old and relocated U. S. Highways 23 northeast of Massieville, Ohio, over old U. S. Highway 23, serving all intermediate points, and (2) between junction of old U. S. Highway 23 and Ohio Highway 124 and junction relocated U. S. Highway 23 and Ohio Highway 124, over Ohio Highway 124, serving all intermediate points.

NOTE: Applicant requests that simultaneously with the granting of a certificate over the segment of Ohio Highway 124 applied for herein, the existing authority to operate over old U. S. Highway 23 between junction of old and relocated U. S. Highways 23 near the southwestern limits of Piketon, Ohio, and junction of old U. S. Highway 23 and Ohio Highway 124 be revoked. Applicant is authorized to conduct operations in the District of Columbia, Florida, Georgia, North Carolina, Ohio, Pennsylvania, South Carolina, Tennessee, Virginia and West Virginia.

No. MC 3647 Sub 182, PUBLIC SERVICE COORDINATED TRANSPORT, a New Jersey corporation, 80 Park Place, Newark, N. J. Applicant's attorney: Winslow B. Ingham, Public Service Terminal, Newark 1, N. J. For authority to operate as a *common carrier*, over regular routes, transporting: *Passengers and their baggage*, in the same vehicle with passengers, operations in Ridgefield Park, N. J., for operating convenience, (1) between junction Teaneck Road and Truitt Street and junction U. S. Highway 46 (formerly New Jersey Highway 6) and Truitt Street over Truitt Street (access Road), and (2) between junction U. S. Highway 46 (formerly New Jersey Highway 6) and access road leading to Emerson Street and junction Teaneck Road and Emerson Street, from junction U. S. Highway 46 and access road leading to Emerson Street over access road to junction Emerson Street, thence over Emerson Street to junction Teaneck Road, and return over the same routes, serving no intermediate points. Applicant is authorized to conduct operations in Delaware, New Jersey, New York, and Pennsylvania.

No. MC 52980 Sub 9, ROYAL BLUE COACHES, INC., 8 Main Street, Clinton, N. J. Applicant's attorney: Robert H. Shertz, 801-804 I. B. M. Building, 226 South Fifteenth Street, Philadelphia 2,

Pa. For authority to operate as a *common carrier*, over irregular routes, transporting: *Passengers and their baggage*, in the same vehicle with passengers, in seasonal operations during the racing season of each year, in special round-trip operations, from Allentown, Bethlehem, and Easton, Pa., to the Garden State Race Track in Delaware Township, N. J., and to the Atlantic City Race Track in McKee City, N. J., and return to points of origin. Applicant is authorized to conduct operations in New Jersey, New York, and Pennsylvania.

No. MC 109736 Sub 5, CAPITOL BUS COMPANY, a corporation, 313 Chestnut Street, Harrisburg, Pa. Applicant's attorney: James E. Wilson, Continental Building, Fourteenth at "K", N. W., Washington 5, D. C. For authority to operate as a *common carrier*, over a regular route, transporting: *Passengers and their baggage*, and *express, mail, and newspapers*, in the same vehicle with passengers, between Gettysburg, Pa., and Washington, D. C., from Gettysburg, Pa., over U. S. Highway 15 to Frederick, Md., and thence over New U. S. Highway 240 to Washington, D. C., and return over the same route, serving all intermediate points between Gettysburg, Pa., and Frederick, Md., including Frederick, Md., except that passengers will not be transported locally between Frederick, Md., and Washington, D. C. Applicant is authorized to conduct operations in Maryland and Pennsylvania.

No. MC 115216, JOEL N. AKERS, doing business as ARKOMO COACH LINES, 210 North Vine, Harrison, Ark. Applicant's attorney: C. Zimmerman, Transcontinental Bus System, Inc., Wichita 1, Kans. For authority to operate as a *common carrier*, over a regular route, transporting: *Passengers and their baggage*, and *express, mail, and newspapers*, in the same vehicle with passengers, between Tulsa, Okla., and junction U. S. Highway 66 and Oklahoma Highway 33 approximately 10 miles east of Tulsa, over Oklahoma Highway 33, serving all intermediate points.

No. MC 115219, SYDNEY V. WILSON, Route #1, Chestertown, Md. For authority to operate as a *common carrier*, over irregular routes, transporting: *Passengers and their baggage*, in the same vehicle, in round trip charter operations, beginning and ending at points in Queen Annes and Kent Counties, Md., and extending to points in Delaware, Maryland, New Jersey, Pennsylvania, and the District of Columbia.

APPLICATIONS UNDER SECTION 5 AND 210 (a) (b); CORRECTION

The notice of filing of MC-F 5922, appearing on page 1307 of March 2, 1955, issue of the FEDERAL REGISTER should be corrected to show the operating rights sought to be transferred as follows: *Passengers*, as a *common carrier*, over regu-

lar routes, between St. Joseph, Mo., and Phillipsburg, Kans., over U. S. Highway 36, also over old U. S. Highway 36 via Sabetha, Price and Oneida, Kans. (now U. S. Highway 75 and unnumbered highway), serving all intermediate points except those on U. S. Highway 75 between its junction with U. S. Highway 36 and Sabetha, Kans., and those on U. S. Highway 36 between its junction with unnumbered highway two miles west of Fairview, Kans., and Seneca, Kans.

No. MC-F-5945. Authority sought for purchase by HOLMAN TRANSFER COMPANY, 48 S. E. Hawthorne Blvd., Portland, Oreg., of the operating rights of AL EAST, doing business as AL EAST TRANSFER, 8721 S. E. 40th Ave., Portland, Oreg., and for acquisition by H. M. CLARK, SR., H. M. CLARK, JR., AND L. P. CLARK, Portland, Oreg., of control of the operating rights through the purchase. Applicants' attorney: Earle V. White, 1401 N. W. 19th Ave., Portland, Oreg. Operating rights sought to be transferred: *General commodities*, with certain exceptions, including household goods, as a *common carrier*, over irregular routes, between points within three miles of Portland, Oreg., including Portland. Vendee is authorized to operate in Washington and Oregon. Application has not been filed for temporary authority under section 210a (b).

By the Commission.

[SEAL] HAROLD D. McCoy,
Secretary.

[F. R. Doc. 55-2601; Filed, Mar. 29, 1955;
8:48 a. m.]

[4th Sec. Application 30394]

SAND AND GRAVEL FROM EASTERN POINTS TO THE SOUTH

APPLICATION FOR RELIEF

MARCH 25, 1955.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: C. W. Boin, Agent, for carriers parties to schedule listed below.

Commodities involved: Sand moulding, and other than moulding, and gravel, carload.

From: Specified points in New York, New Jersey, and Pennsylvania.

To: Specified points in Alabama, Georgia, Florida, Louisiana, Kentucky, Mississippi, North Carolina, South Carolina, and Tennessee.

Grounds for relief: Carrier competition, and circuitous routes.

Schedules filed containing proposed rates: C. W. Boin, Agent, I. C. C. A-968, supp. 68.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by

the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL] HAROLD D. McCoy,
Secretary.

[F. R. Doc. 55-2599; Filed, Mar. 29, 1955;
8:48 a. m.]

[4th Sec. Application 30395]

GRAIN AND PRODUCTS FROM OKLAHOMA TO LOWER MISSOURI RIVER CITIES

APPLICATION FOR RELIEF

MARCH 25, 1955.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: The Atchison, Topeka and Santa Fe Railway Company for carriers parties to schedule listed below.

Commodities involved: Grain, grain products, and seeds, carloads.

From: Specified points in Oklahoma.

To: Specified points in Kansas and Missouri.

Grounds for relief: Competition with rail carriers, circuitous routes, and to maintain grouping.

Schedules filed containing proposed rates: Atchison, Topeka and Santa Fe Ry. I. C. C. 14679, supp. 81.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL] HAROLD D. McCoy,
Secretary.

[F. R. Doc. 55-2600; Filed, Mar. 29, 1955;
8:48 a. m.]